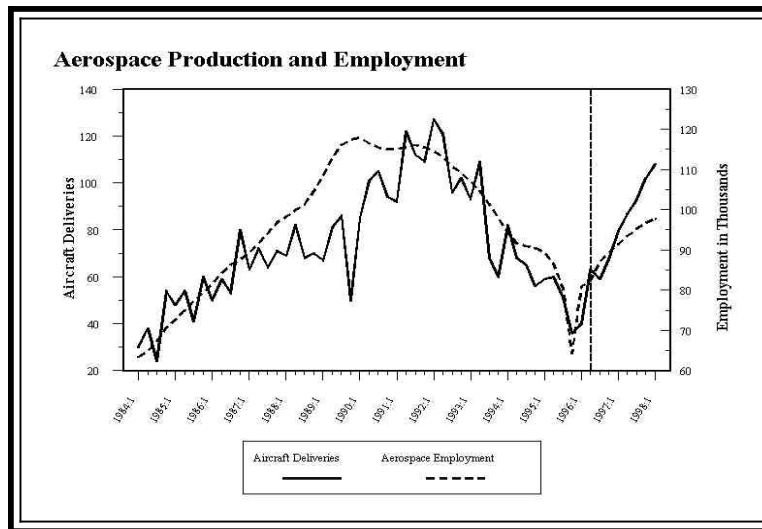


Washington Economic and Revenue Forecast



September 1996
Volume XIX, No. 3

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Explanation of the Cover Graph

The cover chart illustrates the close relationship between Boeing's aircraft production and Washington's aerospace employment. Boeing delivered just 206 commercial airplanes in 1995, fewer than half the 446 airplanes delivered in 1992. Not surprisingly, Washington's aerospace employment also declined sharply during this period. Excluding the impact of the 1995 strike on aerospace employment, a total of 38,600 jobs were lost in the aerospace industry since the peak in the first quarter of 1990, nearly all of them since 1992. Boeing has announced plans to raise production to levels that will rival the previous peak. The September forecast assumes that aerospace employment growth will be held to a total of 22,100 through 1999, however.

Washington Economic and Revenue Forecast

Prepared by the
Office of the Forecast Council

September 1996
Volume XIX, No. 3

Preface

The Office of the Forecast Council is required by Chapter 231, Section 34, Laws of 1992 (RCW 82.33.020) to prepare a quarterly state economic and revenue forecast and submit it to the Forecast Council. This report presents the state's economic and General Fund-State revenue forecast. It is issued four times a year.

Copies are available to Washington State businesses and residents for \$4.50 per copy, and to those out-of-state for \$9.00 per copy. You may contact our office for more subscription information at (360) 586-6785 or by writing the Office of the Forecast Council, Post Office Box 40912, Olympia, WA. 98504-0912.

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Washington State and U.S. Economic Forecasts

Recent U.S. Economic Activity

This forecast incorporates the advance GDP estimate for the second quarter of 1996. Real GDP growth accelerated to 4.2 percent in the second quarter from 2.0 percent in the first quarter. An increase in the pace of inventory accumulation accounted for some of the upsurge in growth but final sales were up a strong 3.5 percent in the quarter. Fixed investment growth slowed to 4.5 percent from 10.4 percent in the first quarter. Nonresidential investment was up only 0.5 percent as a 6.6 percent decline in nonresidential structures investment offset most of the 3.2 percent gain in producer's durable equipment spending. Residential fixed investment was up a robust 15.1 percent, however. Consumer spending was also strong in the second quarter, rising at a 3.7 percent rate with consumer durables rising 14.1 percent, nondurables rising 2.5 percent, and consumer services rising 2.2 percent. The international sector remained a drag on GDP growth in the second quarter as a 5.2 percent increase in exports was swamped by a 12.9 percent jump in imports. The federal government sector continued to add to GDP growth in the second quarter with military spending up 7.9 percent and other federal spending rising at a 9.3 percent rate. State and local government purchases were also strong in the quarter, rising at a 6.3 percent rate.

Despite the strong second quarter growth, the monthly data through July suggest a slowing national economy. Payroll employment growth in June and July was more modest than earlier this year and the unemployment rate rose slightly in July. New home sales declined in June indicating that the rise in interest rates in early 1996 is having an effect. The forecast assumes that more moderate growth in the summer will convince the Fed to leave the Fed funds rate unchanged

until after the election. If the economy heats up, however, an earlier move is possible. The forecast calls for real GDP (1992 chain weight basis) to grow 2.3 percent in 1996, slowing to 2.0 percent in 1997. Growth is expected to recover modestly to 2.2 percent in 1998 and 2.3 percent in 1999. Inflation, as measured by the implicit price deflator for personal consumption expenditures (1992 chain weight basis), rose only 2.4 percent in 1995, the smallest increase since 1965. Inflation is expected to slow further to 2.2 percent in 1996. The inflation rate is expected drift up during the remainder of the forecast, however. The implicit price deflator is expected to increase 2.5 percent in 1997 and 2.7 percent in 1998 and 1999.

U.S. Forecast Highlights

1. Real GDP growth slowed in fiscal 1996 to 1.9 percent (1992 chain weight basis) following three years of growth in the vicinity of 3 percent per year. The pace of growth in the previous three years exceeded the long term potential of the economy and was clearly unsustainable. The "soft landing" forestalled the emergence of inflationary pressures but the unemployment rate remains near the point where an acceleration of inflation is likely. Another pause in growth during 1997 should produce moderate growth during the next three years. GDP growth is expected to improve to 2.4 percent in fiscal 1997, slowing to 2.0 percent in 1998 and 2.2 percent in 1999.
2. Inflation, as measured by the implicit price deflator for personal consumption expenditures, dropped to just 2.1 percent (1992 chain weight basis) in fiscal 1996, the lowest level since 1966. The "soft landing" in

the current biennium and modest growth in the next biennium should prevent any significant acceleration of inflation throughout the forecast. Nevertheless, the inflation rate is expected to drift up throughout the forecast, rising to 2.4 percent in fiscal 1997, 2.6 percent in 1998, and 2.7 percent in 1999.

3. The strong growth in the second quarter of 1996 led to renewed fears of accelerating inflation. While some monetary tightening appears likely, the forecast assumes that the Fed will hold off on any interest rate hikes until after the November election. The Federal funds rate is expected to remain at 5.25 percent through the third quarter of 1996, rising to 5.75 percent by the second quarter of 1997 where it will remain through the second quarter of 1998. A quarter point reduction in the funds rate is expected in the second half of 1998, however. The three month Treasury Bill rate will follow a similar path, rising to 5.43 percent by the second quarter of 1997. Long term interest rates have already moved sharply higher. The mortgage rate, which had declined to 7.24 percent in the first quarter of 1996, has risen to 8.14 percent in the third quarter. Mortgage rates are expected to continue to rise through the first quarter of 1997. Slower growth and easing inflation fears are expected to lead to a modest reduction in rates in 1998.

4. Housing starts reached a cyclical peak of 1.484 million units in the second quarter in response to the low mortgage rates of late 1995 and early 1996. Higher mortgage rates and declining consumer confidence should produce a declining trend in housing starts which is expected to extend through the second quarter of 1997. Another reversal in consumer confidence should boost housing activity during the remainder of the forecast, however.

5. Despite the slowdown in real growth in 1995, the U.S. unemployment rate has remained low. The 5.43 percent unemployment rate in the second quarter of 1996 was the lowest so far in the current expansion. The unemployment rate is expected to continue to decline through the remainder of the year, reaching 5.32 percent in the fourth quarter. The unemployment rate is expected to rise slightly during 1997 as the economy slows. With the economy growing at about its potential in 1998 and 1999, the unemployment rate should be stable at about 5.6 percent.

6. Thanks to economic growth, discretionary spending cuts, and the 1993 tax increases, the federal budget deficit continued to drop in fiscal 1996 to \$150.5 billion (national income and product accounts basis) from \$178.1 billion in 1995. The cyclical peak in the deficit was \$277.8 percent in fiscal 1993. While a balanced budget is not expected within the forecast horizon, fiscal restraint and economic growth will continue to reduce the budget deficit which is expected to reach \$116.0 billion in fiscal 1999.

7. The “soft landing” temporarily slowed the growth of imports. As a result, the trade deficit (national income and product accounts basis) narrowed in fiscal 1996 to \$86.5 billion from \$107.4 billion in 1995. The trade deficit is expected to widen again as strong import growth returns. The forecast expects the deficit to rise to \$114.6 billion in fiscal 1997 before declining to \$112.6 billion in 1998 and \$100.6 billion in 1999.

Table 1.1 provides a fiscal year summary of the U.S. economic indicators.

Recent Economic Activity in Washington

The Employment Security Department has released preliminary employment estimates through July 1996. This forecast is based on adjusted employment estimates through 1996 as described in **Adjustments to Economic Data**. The adjusted employment estimates indicate that total nonfarm employment increased 2.7 percent in the second quarter of 1996 after a 5.2 percent surge in the first quarter. The first quarter growth was distorted by the resolution of the Boeing labor dispute, however, which increased reported employment growth by 15,000. Had there been no strike in the fourth quarter, employment in the first quarter would have increased at only a 2.6 percent annual rate. Manufacturing employment rose 2,300 in the second quarter of 1996, a 2.7 percent rate of growth. Durable goods manufacturing employment increased 1,900, a 3.4 percent rate of increase from the first quarter. The aerospace sector alone accounted for 1,600 of the increase in the second quarter, an 8.0 percent rate of growth. Transportation equipment other than aerospace fell 600 (14.7 percent), however. Electrical and nonelectrical machinery rose a combined 1,100 (12.2 percent) in the second quarter of 1996. Nondurable manufacturing employment increased 400 (1.3 percent) in the second quarter of 1996. The growth in nondurables was entirely the result of an increase of 500 (4.3 percent) in food and kindred products. Nonmanufacturing employment rose a strong 13,400 in the second quarter for an average annual growth rate of 2.6 percent. The services sector was responsible for most of the growth in the quarter, rising 7,100 or 4.5 percent. Wholesale and retail trade employment was also strong, rising 4,300 (3.0 percent) in the second quarter.

In July 1996 the U.S. Department of Commerce, Bureau of Economic Analysis revised its quarterly state personal income estimates through the fourth quarter of 1995 and released preliminary estimates for the first quarter of 1996. In addi-

tion, the wage estimates for all of 1995 and the first quarter of 1996 have been adjusted to reflect wage estimates derived from the Covered Employment and Payrolls data produced by the Employment Security Department (see **Adjustments to Economic Data**). The adjusted first quarter personal income estimate of \$133.480 billion represents an increase of \$1.010 billion (0.8 percent) from the June forecast. The current estimate for wage and salary disbursements in the first quarter, based on Covered Employment and Payrolls data, is \$0.294 billion (0.4 percent) higher than the June forecast assumed. Nonwage personal income, however, was \$0.715 billion (1.2 percent) higher than expected in June primarily as a result of farm proprietor's income which exceeded the forecast by \$0.635 billion. Nonfarm proprietor's income was \$0.150 billion higher than assumed in the June forecast and labor income other than wages and salaries was \$0.162 billion higher. Income from dividends, interest, and rent was \$0.168 billion below the June expectation, however.

The number of housing units authorized by building permit declined in the second quarter of 1996 to 42,900 from 46,000 in the first quarter. Both single family permits (30,300) and multifamily permits (12,700) declined in the second quarter. The forecast expects single family activity to continue to slow as a result of higher mortgage interest rates but the multifamily sector will gain strength as net immigration increases.

Adjustments to Economic Data

Analysis of the covered employment and payrolls data for 1995 indicates that the BEA's personal income estimate for wage and salary disbursements is too high. Since the BEA will eventually benchmark its wage and salary estimates to the covered employment and payrolls data for all sectors except agriculture and the federal government, wage and salary disbursements for these industries have been adjusted down a total of \$0.442 billion (0.3 percent) for the year.

The first quarter of 1996 wage estimates have also been adjusted to reflect the year over year wage growth indicated by the covered employment and payrolls data. This adjustment reduced the wage estimate for the first quarter by \$1.212 billion (0.9 percent). Unadjusted BEA estimates were used for farm, federal civilian, and military wages as well as all nonwage components of personal income in 1995 and in the first quarter of 1996.

This forecast utilizes alternative employment estimates which incorporate covered employment and payrolls data through the first quarter of 1996. In addition, the employment growth pattern from March 1996 to July 1996 has been adjusted to reflect the average revision between the growth in the preliminary, sample based employment estimates and the final, covered employment and payrolls based estimates during these months. This adjustment adds 9,600 to the employment growth during this period raising the March to July growth rate from 2.8 percent to 4.1 percent.

Washington State Forecast Highlights

After a decline of 38,600 since the first quarter of 1990 (excluding the impact of the Boeing strike) Washington aerospace employment reached a turning point in the fourth quarter of 1995. During the first seven months of 1996, Washington aerospace employment increased 7,000. The aerospace forecast incorporates Boeing's recent announcement that its Washington employment will rise 9,800 during 1996. In all, Washington aerospace employment is expected to grow 10,500 in 1996, 7,400 in 1997, and 2,100 per year in 1998, and 1999. The electrical machinery employment forecast retains the assumption that Intel will hire 1,000 employees in the second half of 1996 and 1,000 per year in 1997, 1998, and 1999 in conjunction with its new plant in DuPont.

1.

Real personal income growth increased to 3.9 percent in fiscal 1996 from 3.3 percent in 1995 as a result of very strong average wage growth and a dip in inflation. Real income growth is expected to slow during the remainder of the forecast as a result of increasing inflation and more modest wage growth. Real personal income is expected to rise 3.2 percent in fiscal 1997 and 3.1 percent per year in 1998 and 1999.

2. Nominal personal income growth improved only slightly in fiscal 1996 to 6.1 percent from 6.0 percent the previous year as the improvement in real growth was largely offset by a reduction in inflation. Personal income growth is expected to remain relatively stable through the remainder of the forecast as real income growth remains strong and inflation remains moderate. The forecast expects personal income to increase 5.7 percent in fiscal 1997 and 5.9 percent per year in 1998 and 1999.

3. Washington wage and salary employment growth slowed to only 1.5 in fiscal 1996 from 2.5 percent in 1995, hampered by a 1.8 percent decline in manufacturing employment. The forecast calls for employment growth to improve during the coming years led by the aerospace and high tech sectors. The forecast calls for employment growth of 3.1 percent in fiscal 1997, 2.6 percent in 1998, and 2.8 percent in 1999.

- Lumber and wood products employment declined 200 in the second quarter of 1996 to 35,000. Employment in this sector has shown little change since declining sharply in the 1990-91 recession. Employment in this sector is now 7,500 lower than the cyclical peak in the fourth quarter of 1988 as timber supply constraints have reduced Washington's share of the nation's wood products employment. Lumber and wood prod-

ucts employment is expected to remain fairly stable during the remainder of the forecast, however, increasing by 200 by the end of 1999.

- Aerospace employment rose 1,600 in the second quarter of 1996 following an equivalent increase in the first quarter after adjusting for the effect of the Boeing machinists' strike on the first quarter growth. Even stronger growth is expected for the remainder of this year and next year as Boeing ramps up production. Washington aerospace employment, which fell 38,600 from the first quarter of 1990 to the fourth quarter of 1995 (excluding the strike), is expected to increase a total of 22,100 by the end of 1999.
- Construction employment increased 200 in the second quarter of 1996 to 122,200. Washington's construction industry has been remarkably stable during the last six years. Since the construction boom of the late 1980's ended in mid 1990, employment has grown at an average rate of only 0.5 percent per year. Construction employment is expected to remain relatively flat through 1997 with no net job gain. Growth should pick up in the last two years of the forecast, however. By the end of 1999, construction employment is expected to be 4,000 higher, representing an average annual growth rate of 1.7 percent per year in 1998 and 1999.
- Employment in finance, insurance, and real estate rose at a 2.7 percent rate in the second quarter of 1996 following a 1.5 percent decline in the first quarter. Employment in this sector has recovered 2.0 percent since the second quarter of 1995. During the previous five quarters, employment had declined 3.9 percent as a result of the unwinding of the refinancing boom that resulted from the low interest rates of late 1993 and early 1994. Finance, insurance and real estate employment is expected to grow at a moderate average annual rate of 1.5 percent during the remainder of the forecast.
- Retail trade employment rose at a 2.8 percent annual rate in the second quarter of 1996 following a 0.4 percent decline in the first quarter. The forecast expects weak retail trade employment growth during the next several quarters due to a decline in consumer confidence and a shakeout in the industry. Retail trade employment growth is expected to average 2.0 percent per year through 1997. Growth should pick up to an average rate of 3.3 percent during the final eight quarters of the forecast, however, as the U.S. economy revives and Washington's population growth accelerates.
- Services employment rose at a strong 4.5 percent annual rate in the second quarter of 1996 following a 3.8 percent increase in the first quarter. The reductions in Hanford cleanup employment appear to be winding down and the software industry continues to hire at a feverish pace. As a result of these trends and the nationwide shift to services employment, the services sector is expected to continue to outperform the overall economy. The forecast expects services employment growth to average 4.2 percent through the end of 1999.
- State and local government employment fell at a 0.7 percent rate in the second quarter of 1996 following a strong 4.7 percent increase in the first quarter.

Employment growth over the last year has averaged only 0.6 percent. Stronger growth is anticipated during the forecast interval, however, due to an improving local economy and rapid growth in the school-age population. State and local government employment growth is expected to average 2.3 percent per year through 1999.

4. The number of housing units authorized by building permit declined 1.6 percent in fiscal 1996 to 40,900 following a 6.6 percent decline the previous year. The forecast predicts little improvement in 1997 as slower population growth and higher mortgage interest rates hold permits to 41,000. A recovery is expected in the final two fiscal years, however, when an upturn in population growth will boost housing activity in the multi-family market. The forecast expects 42,500 housing units in fiscal 1998 and 45,500 in 1999.
5. Inflation in the Seattle metropolitan area, as measured by the consumer price index for all urban consumers, declined to 2.8 percent in fiscal 1996 from 3.5 percent in 1995. The local inflation rate is currently well below the cyclical high of 7.6 percent in 1991, and about the same as the U.S. rate of 2.7 percent. Continued moderate U.S. inflation combined with the lagged impact of a weak local economy are expected to hold the local inflation rate to 2.8 percent in fiscal 1997. As economic growth and net immigration increase, regional inflation is expected to rise. The forecast expects the Seattle CPI to rise 3.1 percent in fiscal 1998 and 3.3 percent in 1999.

Table 1.2 provides a fiscal year summary of the state economic indicators.

Alternative Forecasts

As required by statute, two alternatives to the baseline forecast have also been adopted by the Forecast Council. One of these was based on more optimistic economic assumptions than the baseline and one was based on more pessimistic assumptions. These alternatives are summarized in Table 1.3.

The optimistic alternative hinges on the assumption that the economy has a greater capacity for growth than in the baseline forecast and that the unemployment rate can decline further without igniting inflation. This high growth, low inflation scenario is favorable for investment, particularly in producer's durable equipment.

Consumer confidence remains higher than in the baseline, supporting spending on consumer durables. The Federal Reserve gradually raises the federal funds rates to 6.50 percent by early 1998 to prevent the expansion from getting out of hand. These adjustments were supplemented at the state level with higher personal income, a stronger rebound in aerospace employment than assumed in the baseline forecast, and higher wage and price growth in Washington. Population growth and construction employment were also enhanced in the optimistic alternative. By the end of the 1997-99 biennium, Washington nonagricultural employment is 78,600 higher than in the baseline forecast and Washington personal income is \$8.8 billion higher. The optimistic scenario generated \$1,009 million (5.2 percent) more General Fund-State Revenue in the 1997-99 biennium than did the baseline forecast.

In the pessimistic alternative forecast, businesses become overly optimistic based on recent sales strength while consumers become more cautious in an attempt to control their excessive credit card debt. As a result, inventories pile up, forcing cutbacks in production and employment. In addition, higher inflation precipitates an earlier and more aggressive response by the Federal Re-

serve which raises the federal funds rate to 5.75 percent in the fourth quarter of 1996. The result is a brief recession marked by a 1.1 percent reduction in real GDP in the first half of 1997. Locally, the aerospace upturn is briefer and more modest than in the baseline forecast. Washington wages and prices grow more slowly than in the baseline forecast and Washington personal income is lower. Population growth is also lower in this scenario as is construction employment growth. At the end of the 1997-99 biennium, Washington nonagricultural employment is 49,800 lower than in the baseline forecast and Washington personal income is \$6.6 billion lower. The pessimistic scenario produced \$921 million (4.8 percent) less revenue in 1997-99 than did the baseline forecast.

Governor's Council of Economic Advisors Scenario

In addition to the optimistic and pessimistic forecasts, the staff has prepared a forecast based on the opinions of the Governor's Council of Economic Advisors (GCEA) as summarized in Table 1.3. In the GCEA scenario, the U.S. and state forecasts were adjusted to match the average view of the Council members. There were only minor differences between the Governor's Council scenario and the baseline forecast. For the U.S., the differences between the two forecast were trivial. The GCEA forecast for Washington State was also very similar to the baseline forecast. The Governor's Council members expected slightly weaker personal income, both nominal and real. More than offsetting this, however, was slightly stronger employment in the GCEA scenario. At the end of the 1997-99 biennium, Washington nonagricultural employment is 500 higher in the GCEA forecast than in the baseline but Washington personal income is \$0.5 billion lower. The Governor's Council scenario generated just \$44 million (0.2 percent) more General Fund-State revenue in the 1997-99 biennium than did the baseline forecast.

TABLE 1.1

FISCAL YEARS

U.S. Economic Forecast Summary

Forecast 1996 to 1999

	1992	1993	1994	1995	1996	1997	1998	1999
Real National Income Accounts (Billions of Chained 1992 Dollars)								
Real Gross Domestic Product	6145.8	6317.8	6489.7	6688.3	6814.1	6978.1	7114.9	7274.1
% Ch	1.0	2.8	2.7	3.1	1.9	2.4	2.0	2.2
Real Consumption	4149.7	4279.4	4407.2	4529.5	4637.0	4763.6	4879.9	4988.6
% Ch	0.8	3.1	3.0	2.8	2.4	2.7	2.4	2.2
Real Nonresidential Fixed Investment	546.7	573.4	619.7	688.8	732.6	766.1	800.3	826.7
% Ch	-3.6	4.9	8.1	11.2	6.4	4.6	4.5	3.3
Real Residential Fixed Investment	209.2	234.0	258.3	265.8	270.1	277.7	270.9	278.4
% Ch	5.8	11.9	10.4	2.9	1.6	2.8	-2.5	2.8
Real Personal Income	5185.1	5296.5	5399.3	5586.7	5775.4	5940.4	6049.8	6157.5
% Ch	0.9	2.1	1.9	3.5	3.4	2.9	1.8	1.8
Real Per Capita Income (\$/Person)	20,380	20,600	20,787	21,297	21,807	22,224	22,430	22,629
% Ch	-0.2	1.1	0.9	2.5	2.4	1.9	0.9	0.9
Price and Wage Indexes								
U.S. Implicit Price Deflator (Chain-Wt., 1992= 1.0)	0.984	1.014	1.038	1.065	1.087	1.112	1.142	1.173
% Ch	3.5	3.0	2.3	2.6	2.1	2.4	2.6	2.7
U.S. Consumer Price Index (1982-84= 1.0)	1.383	1.426	1.463	1.505	1.546	1.591	1.636	1.684
% Ch	3.2	3.1	2.6	2.9	2.7	2.9	2.8	2.9
Employment Cost Index (June 1989= 1.0)	1.105	1.134	1.169	1.202	1.239	1.283	1.325	1.366
% Ch	3.4	2.6	3.0	2.9	3.1	3.6	3.2	3.1
Current Dollar National Income (Billions of Dollars)								
Gross Domestic Product	6068.8	6400.9	6732.4	7107.8	7406.3	7749.7	8083.7	8462.3
% Ch	4.3	5.5	5.2	5.6	4.2	4.6	4.3	4.7
Personal Income	5103.8	5372.1	5603.4	5947.5	6275.3	6608.2	6907.1	7221.1
% Ch	4.5	5.3	4.3	6.1	5.5	5.3	4.5	4.5
Employment (Millions)								
U.S. Civilian Labor Force	127.1	128.6	130.1	131.8	132.9	134.9	136.4	138.0
Total U.S. Employment	117.9	119.2	121.6	124.3	125.5	127.7	128.8	130.2
Unemployment Rate (%)	7.23	7.30	6.57	5.68	5.57	5.37	5.56	5.62
Wage and Salary Employment	108.22	109.47	112.29	115.94	118.28	120.61	122.20	124.13
% Ch	-0.6	1.2	2.6	3.2	2.0	2.0	1.3	1.6
Manufacturing	18.23	18.08	18.15	18.48	18.35	18.24	18.10	18.14
% Ch	-2.6	-0.8	0.4	1.8	-0.7	-0.6	-0.8	0.2
Durable Manufacturing	10.40	10.24	10.29	10.60	10.65	10.66	10.50	10.51
% Ch	-4.0	-1.6	0.5	3.0	0.5	0.0	-1.5	0.1
Nondurable Manufacturing	7.83	7.84	7.86	7.88	7.70	7.58	7.60	7.63
% Ch	-0.8	0.2	0.1	0.4	-2.4	-1.5	0.2	0.4
Nonmanufacturing	89.99	91.39	94.14	97.45	99.93	102.37	104.10	106.00
% Ch	-0.2	1.6	3.0	3.5	2.5	2.4	1.7	1.8
Services	28.64	29.60	30.81	32.40	33.73	34.91	35.99	37.09
% Ch	1.8	3.4	4.1	5.2	4.1	3.5	3.1	3.1
Miscellaneous Indicators								
Auto Sales (Millions)	8.2	8.3	8.8	8.8	8.8	8.7	8.5	8.6
% Ch	-4.6	1.0	6.3	-0.8	-0.0	-1.0	-2.3	1.4
Housing Starts (Millions)	1.131	1.211	1.395	1.386	1.445	1.370	1.294	1.344
% Ch	10.8	7.1	15.1	-0.7	4.3	-5.2	-5.5	3.9
Federal Budget Surplus (Billions)	-250.0	-277.8	-217.5	-178.1	-150.5	-134.5	-138.6	-116.0
Net Exports (Billions)	-18.7	-47.0	-78.8	-107.4	-86.5	-114.6	-112.6	-100.6
3-Month Treasury Bill Rate (%)	4.37	3.02	3.32	5.27	5.14	5.28	5.41	5.22
30-Year U.S. Govt. Bond Rate (%)	7.93	7.23	6.59	7.54	6.54	6.94	6.94	6.75
Mortgage Rate (%)	8.84	7.85	7.47	8.61	7.60	8.23	8.25	8.07

TABLE 1.2

FISCAL YEARS

Washington Economic Forecast Summary

Forecast 1996 to 1999

	1992	1993	1994	1995	1996	1997	1998	1999
Real Income (Billions of 1992 Chained Dollars)								
Real Personal Income	106.632	111.211	113.223	116.974	121.559	125.509	129.453	133.513
% Ch	3.6	4.3	1.8	3.3	3.9	3.2	3.1	3.1
Real Wage and Salary Disb.	61.094	63.356	63.684	65.355	67.753	70.300	72.452	74.691
% Ch	3.7	3.7	0.5	2.6	3.7	3.8	3.1	3.1
Real Nonwage Income	45.538	47.855	49.539	51.620	53.806	55.209	57.000	58.822
% Ch	3.6	5.1	3.5	4.2	4.2	2.6	3.2	3.2
Real Per Capita Income (\$/Person)	20,897	21,291	21,271	21,591	22,077	22,424	22,708	22,946
% Ch	1.2	1.9	-0.1	1.5	2.2	1.6	1.3	1.0
Price and Wage Indexes								
U.S. Implicit Price Deflator (Chain-Wt., 1992= 1.0)	0.984	1.014	1.038	1.065	1.087	1.112	1.142	1.173
% Ch	3.5	3.0	2.3	2.6	2.1	2.4	2.6	2.7
Seattle Cons. Price Index (1982-84= 1.0)	1.365	1.411	1.452	1.502	1.545	1.588	1.637	1.691
% Ch	4.0	3.3	2.9	3.5	2.8	2.8	3.1	3.3
Avg. Hourly Earnings-Mfg. (\$/Hour)	13.58	13.91	14.07	14.69	14.55	14.81	15.12	15.44
% Ch	3.8	2.4	1.2	4.4	-1.0	1.8	2.1	2.1
Current Dollar Income (Billions of Dollars)								
Nonfarm Personal Income	103.991	111.672	116.356	123.436	130.408	138.003	146.222	154.977
% Ch	7.2	7.4	4.2	6.1	5.6	5.8	6.0	6.0
Personal Income	104.965	112.798	117.502	124.531	132.081	139.621	147.800	156.580
% Ch	7.2	7.5	4.2	6.0	6.1	5.7	5.9	5.9
Disposable Personal Income	91.943	98.757	102.526	108.560	114.728	121.220	128.792	136.483
% Ch	7.7	7.4	3.8	5.9	5.7	5.7	6.2	6.0
Per Capita Income (\$/Person)	20,569	21,594	22,074	22,985	23,987	24,944	25,925	26,910
% Ch	4.7	5.0	2.2	4.1	4.4	4.0	3.9	3.8
Employment (Thousands)								
Washington Civilian Labor Force	2583.9	2686.4	2701.2	2754.5	2836.1	2937.3	3003.6	3079.7
Total Washington Employment	2401.8	2474.7	2511.6	2582.1	2658.2	2769.3	2835.7	2909.5
Unemployment Rate (%)	7.04	7.88	7.02	6.26	6.27	5.72	5.59	5.53
Wage and Salary Employment	2201.4	2235.8	2275.1	2331.2	2366.0	2440.0	2503.2	2573.3
% Ch	1.9	1.6	1.8	2.5	1.5	3.1	2.6	2.8
Manufacturing	349.9	344.4	337.1	338.1	332.1	354.3	365.2	373.5
% Ch	-2.8	-1.6	-2.1	0.3	-1.8	6.7	3.1	2.3
Durable Manufacturing	249.1	242.0	232.3	230.8	222.9	241.4	250.2	256.3
% Ch	-2.6	-2.9	-4.0	-0.7	-3.4	8.3	3.7	2.4
Aerospace	114.8	107.8	96.3	89.4	77.0	90.4	97.0	99.6
% Ch	-0.4	-6.1	-10.7	-7.3	-13.8	17.4	7.4	2.6
Nondurable Manufacturing	100.8	102.5	104.8	107.3	109.2	112.9	114.9	117.2
% Ch	-3.4	1.6	2.2	2.5	1.7	3.4	1.8	2.0
Nonmanufacturing	1851.5	1891.3	1938.0	1993.1	2033.9	2085.7	2138.0	2199.8
% Ch	2.8	2.2	2.5	2.8	2.0	2.5	2.5	2.9
Construction	118.7	118.5	121.9	122.6	121.2	122.2	122.5	124.4
% Ch	0.4	-0.1	2.9	0.6	-1.1	0.8	0.3	1.5
Services	546.7	568.2	585.9	609.9	634.2	663.6	690.4	718.7
% Ch	5.1	3.9	3.1	4.1	4.0	4.6	4.0	4.1
Housing Indicators								
Housing Units Authorized (Thousands)	36.941	38.245	44.523	41.584	40.931	40.971	42.511	45.512
% Ch	0.2	3.5	16.4	-6.6	-1.6	0.1	3.8	7.1
Mortgage Rate (%)	8.84	7.85	7.47	8.61	7.60	8.23	8.25	8.07

TABLE 1.3

Comparison of Alternative Forecasts

	Fiscal Year 1997				Fiscal Year 1998				Fiscal Year 1999			
	O	B	P	G	O	B	P	G	O	B	P	G
U.S.												
Real GDP	7005.9	6978.1	6919.3	6987.1	7212.2	7114.9	7035.7	7123.8	7423.3	7274.1	7261.7	7279.4
% Ch	2.8	2.4	1.5	2.5	2.9	2.0	1.7	2.0	2.9	2.2	3.2	2.2
Implicit Price Deflator	1.113	1.112	1.112	1.114	1.143	1.142	1.138	1.142	1.177	1.173	1.167	1.173
% Ch	2.4	2.4	2.4	2.5	2.7	2.6	2.3	2.6	3.0	2.7	2.5	2.7
Mortgage Rate	8.25	8.23	8.44	8.23	8.49	8.25	8.35	8.21	8.48	8.07	8.18	8.16
3 Month T-Bill Rate	5.33	5.28	5.56	5.27	5.87	5.41	5.13	5.41	6.04	5.22	5.26	5.41
Washington												
Real Personal Income	127.580	125.509	123.274	125.135	133.464	129.453	125.424	129.289	139.508	133.513	129.083	133.163
% Ch	5.0	3.2	1.4	2.9	4.6	3.1	1.7	3.3	4.5	3.1	2.9	3.0
Personal Income	142.004	139.621	137.121	139.348	152.570	147.800	142.784	147.694	164.213	156.580	150.621	156.241
% Ch	7.5	5.7	3.8	5.5	7.4	5.9	4.1	6.0	7.6	5.9	5.5	5.8
Employment	2452.1	2440.0	2424.3	2441.7	2542.8	2503.2	2459.6	2507.5	2641.7	2573.3	2527.6	2575.3
% Ch	3.6	3.1	2.5	3.2	3.7	2.6	1.5	2.7	3.9	2.8	2.8	2.7
Housing Permits	44.669	40.971	35.708	41.244	48.818	42.511	37.439	42.938	51.368	45.512	40.710	43.750
% Ch	9.1	0.1	-12.8	0.8	9.3	3.8	4.8	4.1	5.2	7.1	8.7	1.9

(O) Optimistic; (B) Baseline; (P) Pessimistic; (G) Governor's Council of Economic Advisors

TABLE 1.4

Forecast Analysis

Comparison of Forecasts for 1995-97

Forecast Date	1994				1995				1996				1997	
	Feb.	June	Sept.	Nov.	Mar.	June	Sept.	Nov.	Feb.	June	Sept.	Nov.	Mar.	June
U.S.														
Percent Growth, 95:2-97:2														
Real GDP *	5.4	4.9	5.7	5.4	4.9	5.2	4.9	5.1	5.1	4.0	4.5			
Implicit Price Deflator *	6.4	6.9	6.3	6.1	6.1	5.5	5.4	4.8	4.2	4.7	4.5			
Average Rate, 95:2 to 97:2														
3 Month T-Bill Rate	3.27	3.43	4.35	4.56	5.10	5.14	4.82	5.00	4.86	5.16	5.21			
Mortgage Rate	7.38	7.61	8.05	8.21	8.36	7.98	7.58	7.57	7.06	7.98	7.92			
Washington														
Percent Growth, 95:2-97:2														
Employment	5.4	5.1	5.8	6.0	4.4	3.8	4.7	5.6	4.7	4.7	5.0			
Personal Income	12.2	12.6	13.7	13.8	11.4	10.9	11.1	11.4	10.5	10.9	11.5			
Real Personal Income *	5.5	5.3	7.0	7.2	4.9	5.1	5.4	6.3	6.0	5.9	6.7			
Total, 95:2-97:2														
Housing Units Authorized	63.3	65.6	62.9	75.3	74.4	71.8	75.7	74.7	78.6	81.5	81.9			

* Beginning in June 1996, the forecast reflects the 1996 comprehensive revision of the national income and product accounts which introduced a "chain weight" method of calculating real GDP and its components. Based on the June 1996 forecast, the change in methodology reduces real GDP growth by 1.6 percent, increases implicit price deflator growth by 1.4 percent, and reduces Washington real personal income growth by 1.4 percent from the second quarter of 1995 to the second quarter of 1997.

TABLE 1.5
Forecast Comparison

FISCAL YEARS

	1997	1998	1999
U.S.			
Real GDP			
September Baseline	6978.1	7114.9	7274.1
% Ch	2.4	2.0	2.2
June Baseline	6941.1	7068.1	7247.5
% Ch	1.9	1.8	2.5
Implicit Price Deflator			
September Baseline	1.112	1.142	1.173
% Ch	2.4	2.6	2.7
June Baseline	1.115	1.143	1.176
% Ch	2.6	2.5	2.9
U.S. Unemployment Rate			
September Baseline	5.37	5.56	5.62
June Baseline	5.46	5.67	5.57
Mortgage Rate			
September Baseline	8.23	8.25	8.07
June Baseline	8.36	8.06	7.67
3 Month T-Bill Rate			
September Baseline	5.28	5.41	5.22
June Baseline	5.19	5.37	5.32
Washington			
Real Personal Income			
September Baseline	125.509	129.453	133.513
% Ch	3.2	3.1	3.1
June Baseline	124.578	128.415	132.565
% Ch	2.9	3.1	3.2
Personal Income			
September Baseline	139.621	147.800	156.580
% Ch	5.7	5.9	5.9
June Baseline	138.882	146.803	155.920
% Ch	5.6	5.7	6.2
Employment			
September Baseline	2440.0	2503.2	2573.3
% Ch	3.1	2.6	2.8
June Baseline	2433.0	2493.6	2561.7
% Ch	2.9	2.5	2.7
Housing Permits			
September Baseline	40.971	42.511	45.512
% Ch	0.1	3.8	7.1
June Baseline	39.671	41.968	45.622
% Ch	-5.1	5.8	8.7

TABLE 1.6
Long Range Economic Outlook
Forecast 1996 to 2006

	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
U.S.*											
Real GDP, % Ch	1.9	2.4	2.0	2.2	2.3	2.0	2.1	2.1	2.1	2.1	2.0
Implicit Price Deflator, % Ch	2.1	2.4	2.6	2.7	2.8	3.0	3.1	3.2	3.3	3.5	3.6
3 Month T-Bill Rate	5.14	5.28	5.41	5.22	5.20	5.10	4.79	4.79	4.79	4.79	4.78
Mortgage Rate	7.60	8.23	8.25	8.07	7.95	7.86	7.66	7.63	7.62	7.64	7.69
State**											
Real Personal Income, % Ch	3.9	3.2	3.1	3.1	2.5	2.5	2.5	2.5	2.5	2.5	2.5
Personal Income, % Ch	6.1	5.7	5.9	5.9	5.4	5.5	5.7	5.8	5.9	6.1	6.2
Employment, % Ch	1.5	3.1	2.6	2.8	2.0	2.0	2.0	2.0	2.0	2.0	2.0

* September 1996 Baseline (1996-1999) extended with the DRI August 1996 Trendlong Forecast.

** September 1996 Baseline (1996-1999) judgementally extended through 2006.

Comparison of Washington and U.S. Economic Forecasts

CHART 1.1

Total Nonagricultural Employment

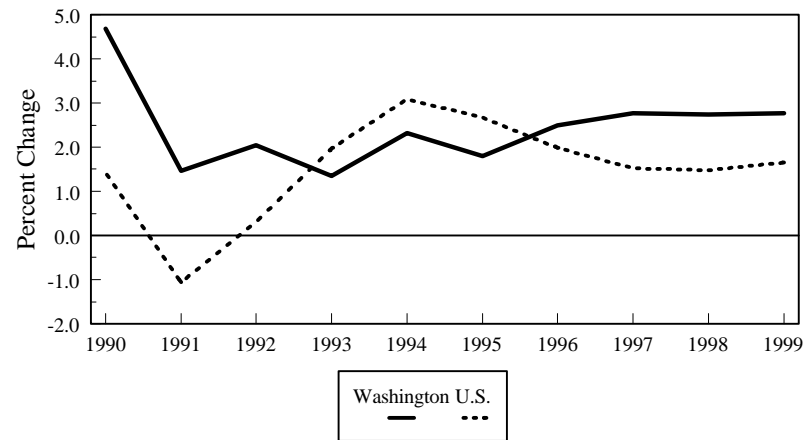


CHART 1.2

Manufacturing Employment

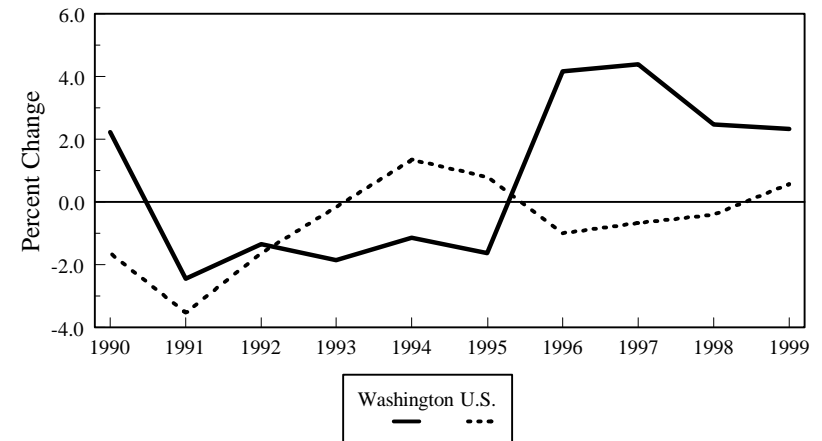


CHART 1.3

Aerospace Employment

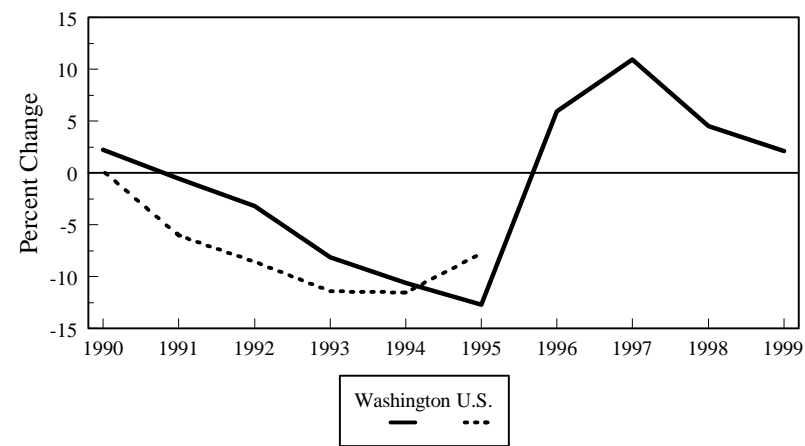
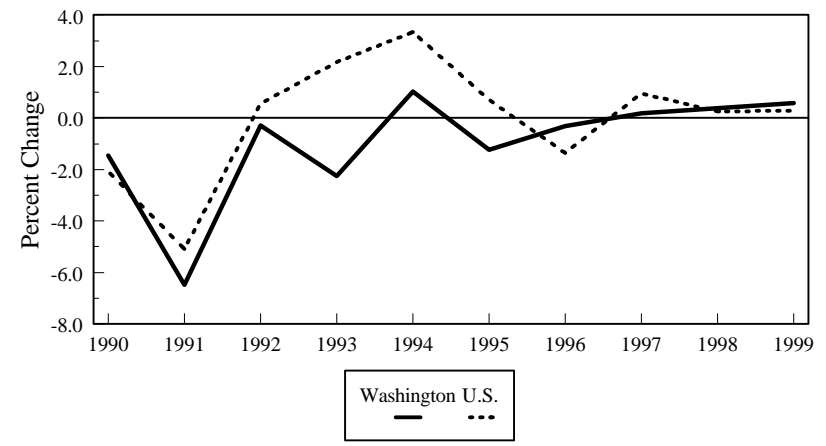


CHART 1.4

Forest Products Employment



Comparison of Washington and U.S. Economic Forecasts

CHART 1.5
Construction Employment

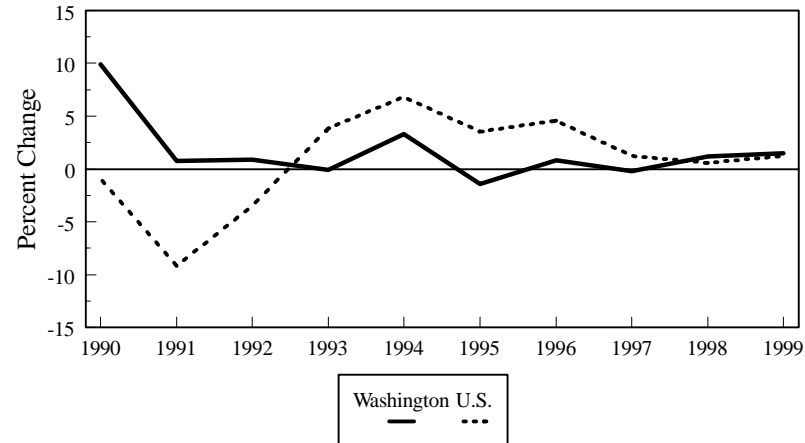


CHART 1.6
Trade Employment

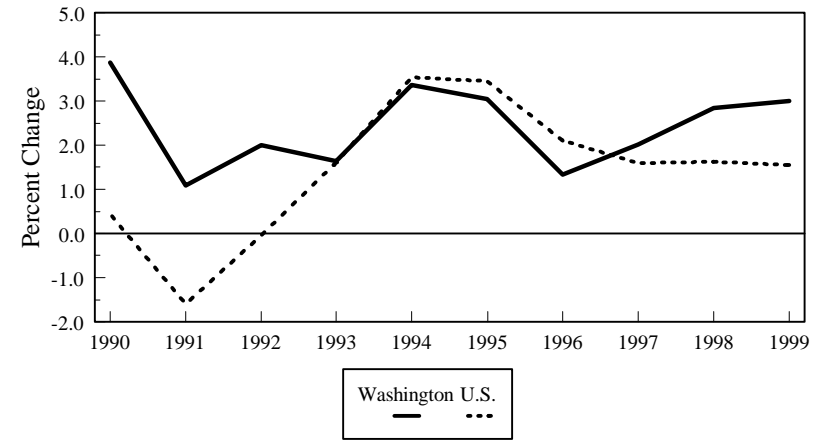


CHART 1.7
Services Employment

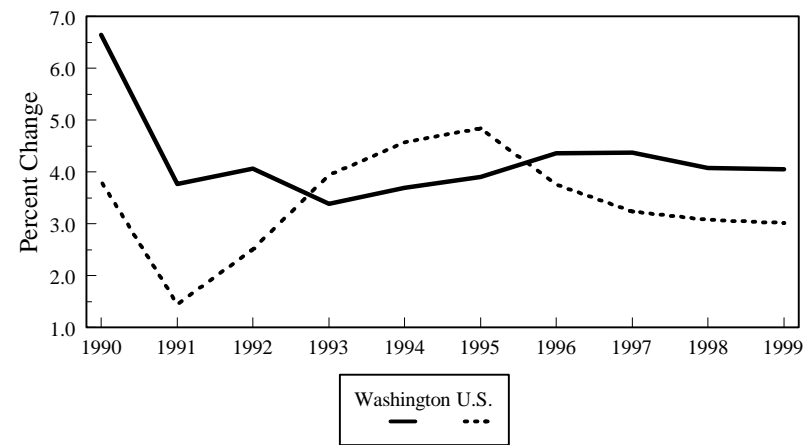
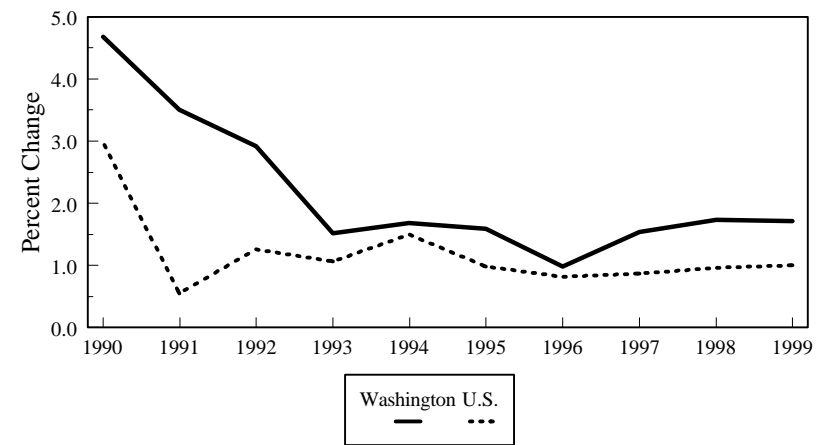


CHART 1.8
Government Employment



Comparison of Washington and U.S. Economic Forecasts

CHART 1.9

Real Personal Income

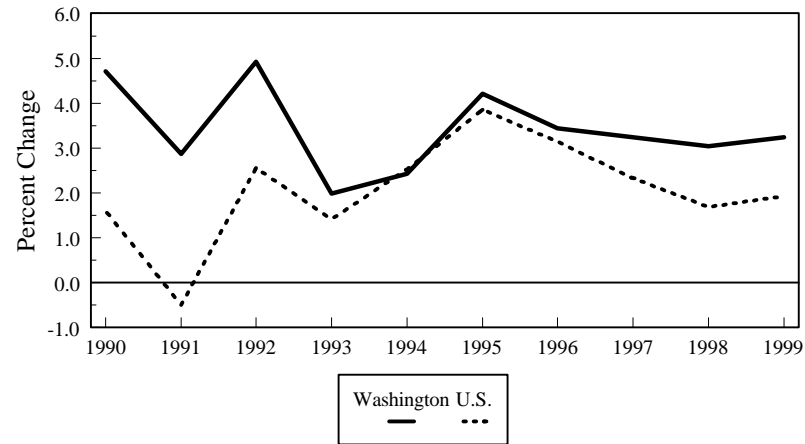


CHART 1.10

Consumer Price Indices

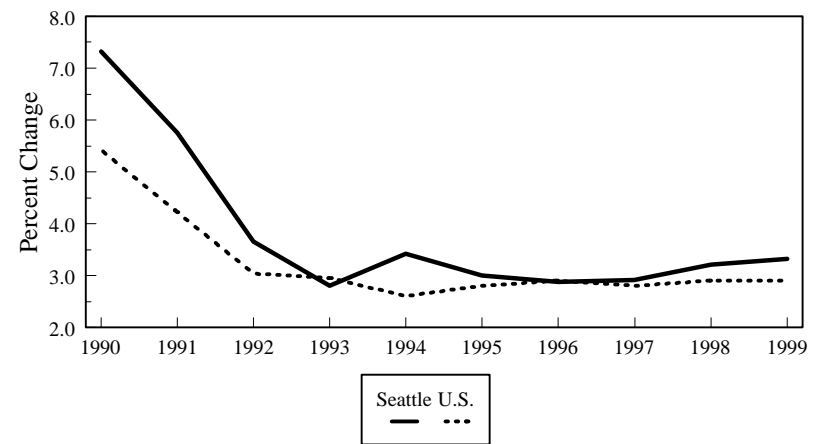


CHART 1.11

Population

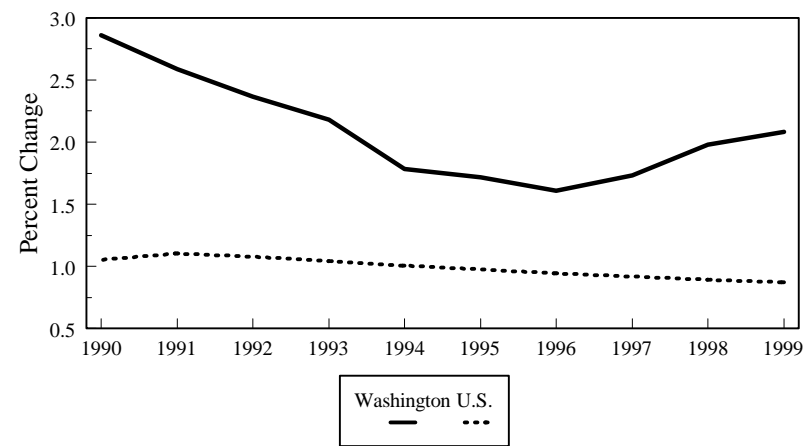
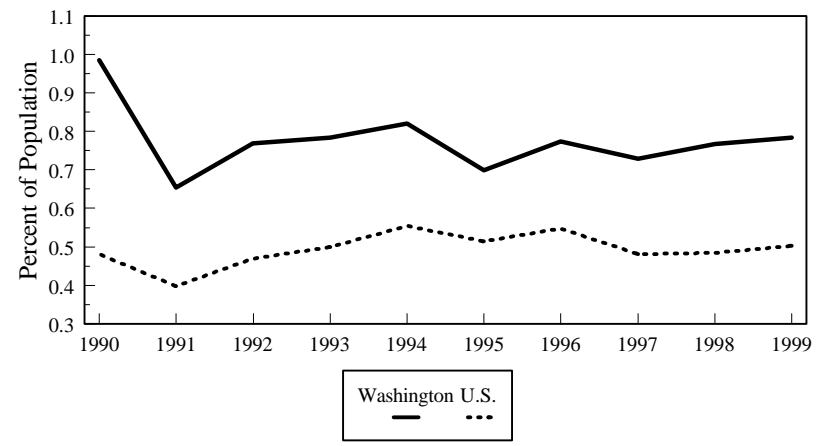


CHART 1.12

Per Capita Housing Units



Comparison of Alternative U.S. Forecasts

CHART 1.13

Real GDP

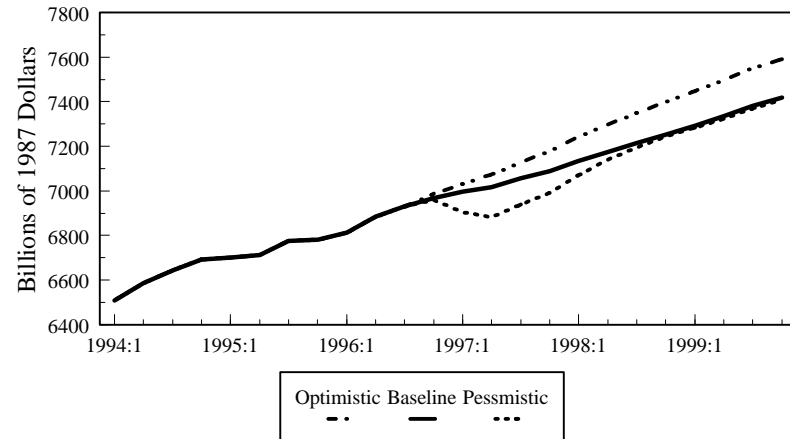


CHART 1.14

Implicit Price Deflator

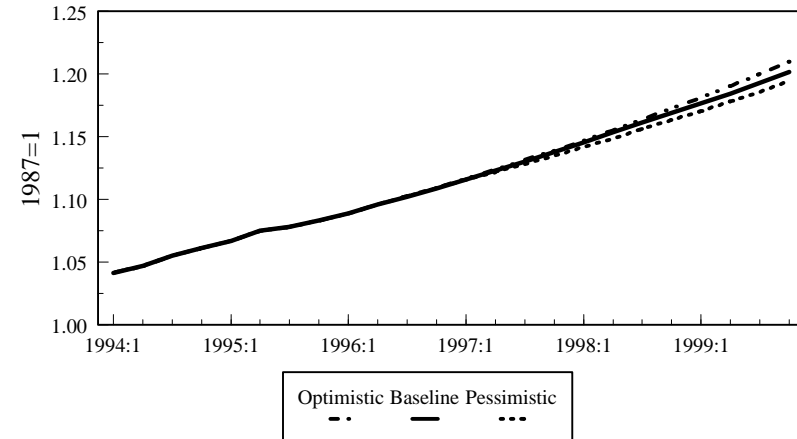


CHART 1.15

Mortgage Rate

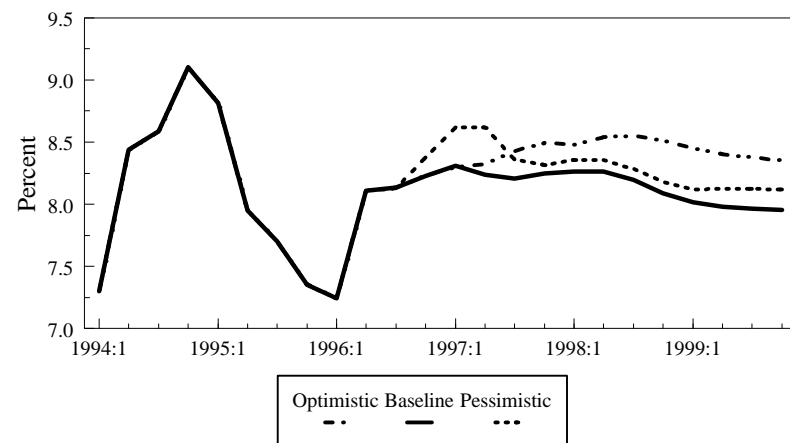
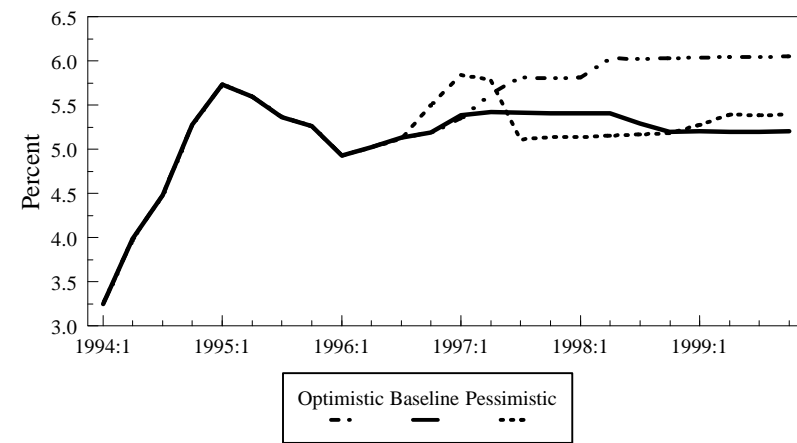


CHART 1.16

Three Month T-Bill Rate



Comparison of Alternative Washington Forecasts

CHART 1.17

Personal Income

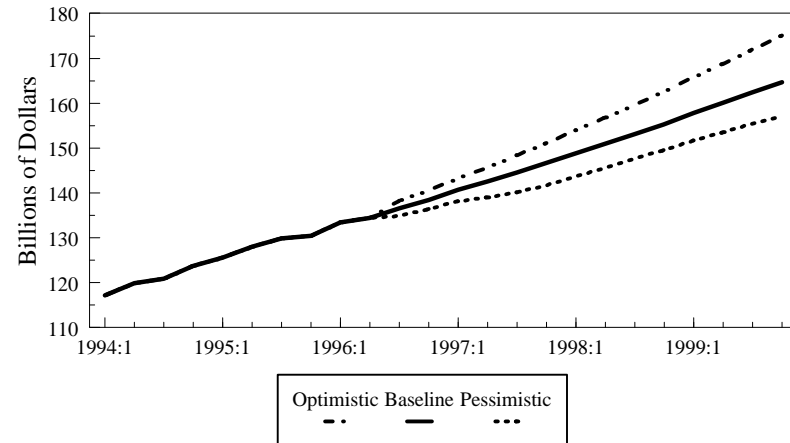


CHART 1.18

Real Personal Income

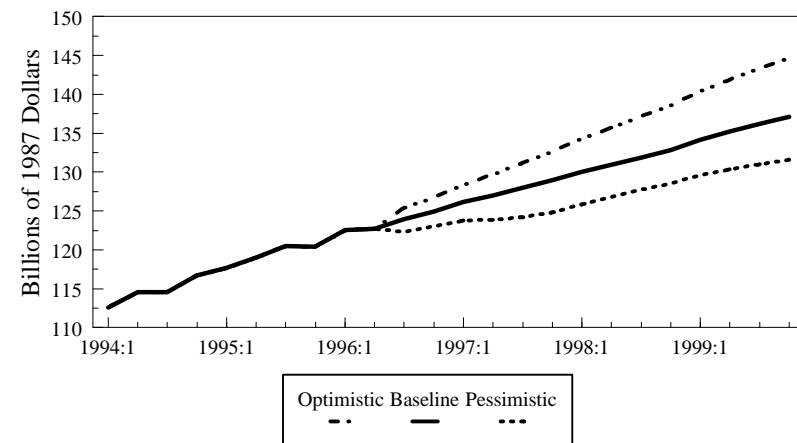


CHART 1.19

Nonagricultural Employment

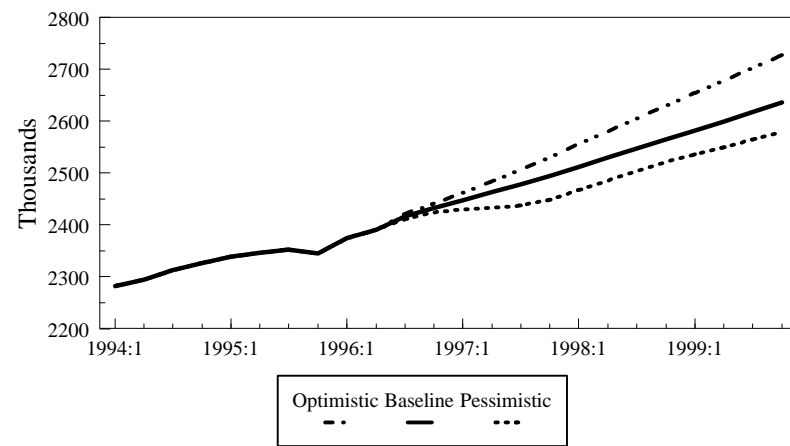
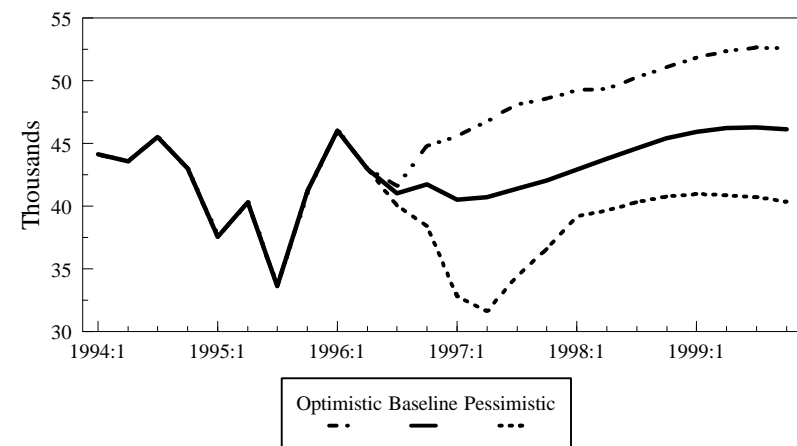


CHART 1.20

Housing Permits



Washington Business Indicators

The party holding the White House gets re-elected or voted out depending on the state of the economy. Yet it is the Chairman of the Federal Reserve System, not the President, who handles the rudder, steers the wheel, and flies the ship. And the current Chairman, Alan Greenspan, a conservative Republican, may be the best ever. All this is good news for the President, for as the election nears, the economy is delivering very good numbers. Growth and stocks are up. Inflation and the deficit are down. Not since 1964 has an incumbent run with such solid numbers.

And the numbers for Washington are even better than the national ones.

National News

The economy grew 4.6 percent in the second quarter (Chart 2.13). There are, however, indications the economy is slowing down from this rapid pace. Third quarter GDP is expected to come in at a respectable 2.3 percent.

Unemployment is at a seven year low of 5.2 percent (Chart 2.3). The consensus is that this is below the level consistent with stable prices. Inflation, however, shows few signs of resurgence. Consumer prices increased 0.3 percent in September, continuing to average about 3.0 percent, the lowest rate in three decades. Producer prices have been edging up in recent months and are currently growing about 2.9 percent a year.

The nation's budget deficit is expected to sink to a 15-year low of \$109 billion in fiscal year (FY) 1996, down from \$290 billion in FY 1992 and \$165 billion in FY 1995.

The Dow Jones industrial average closed above 6,000 for the first time ever on Monday, Octo-

ber 14th. The milestone was passed less than a year after clearing 5,000 and just days after the sixth anniversary of the start of the bull market.

The U.S. index of leading indicators rose for the sixth straight month. The index is designed to forecast economic activity three to six months in the future.

State News

Washington's economy continues to improve. Employment is growing about 3.0 percent, the highest rate since 1991 (Chart 2.1). After ranking 42, 40, and 39 among states in employment growth in 1993, 1994, and 1995, Washington, as of August, ranked 11 and was climbing. The stimulus mainly comes from Boeing. The Boeing Company is adding 10,000 to its Washington workforce in 1996 and is expected to add several thousand more in 1997. A by-product of this surge in employment is a drop in the unemployment rate. The state's seasonally adjusted unemployment rate fell to 5.8 percent in August, the lowest it has been in five years.

Boeing expansions typically lead to surges of immigration. This surge can be seen in the increase in out-of-state drivers registering in the state between 1987 and 1991 (Chart 2.10). The current expansion is also drawing people from other states—as can be seen in the rising line in Chart 2.10.

The purchasing management index measures the proportion of purchasing managers experiencing better than average times. Washington's index surged to 73.9 in September, the highest it has ever been. In comparison, the latest U.S. index reading was 52.6.

Washington's index of leading indicators rose 0.6 percent in August, following a slight drop in July. Six of the seven components, the Seattle Times Help-Wanted Index, the Atlanta Fed's trade-weighted exchange rate index, the U.S. index of leading indicators, aerospace employment, average hours in manufacturing, and initial claims for unemployment insurance, showed improvement. Housing starts fell to a still robust 40 thousand annualized units.

Among the metropolitan areas, Seattle, as it did during most of the 1980's, is leading the state, growing at a 4.5 percent annualized rate (Chart 2.16). The Tri-Cities continue to lag. Clark County continues to go strong.

The San Francisco Fed reports that some manufacturers in Washington are feeling wage pressures and are having trouble finding qualified personnel. The Fed also report that commercial real estate markets are tightening and lease rates rising.

Key Economic Indicators

CHART 2.1

Annual Employment Growth in Washington and in the US.
January 1980 to August 1996

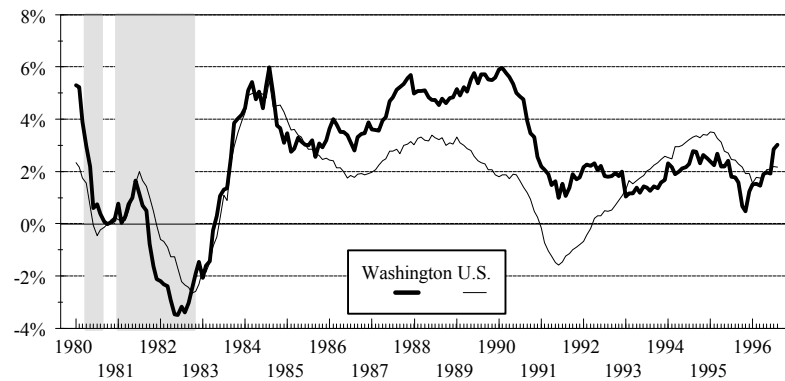


CHART 2.2

Aerospace Employment
January 1959 to August 1996

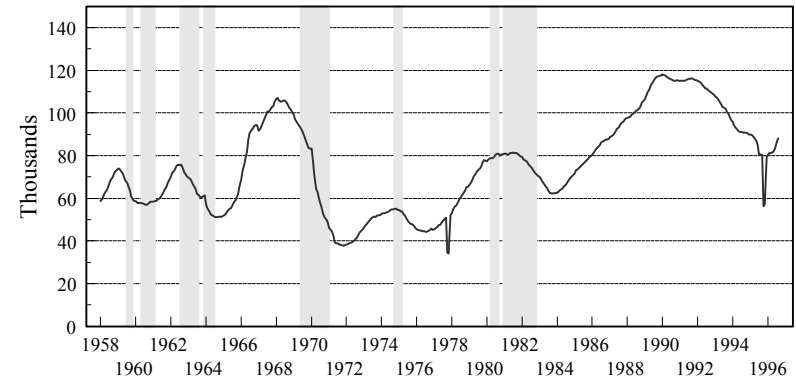


CHART 2.3

Unemployment Rate
Seasonally Adjusted, January 1980 to August 1996

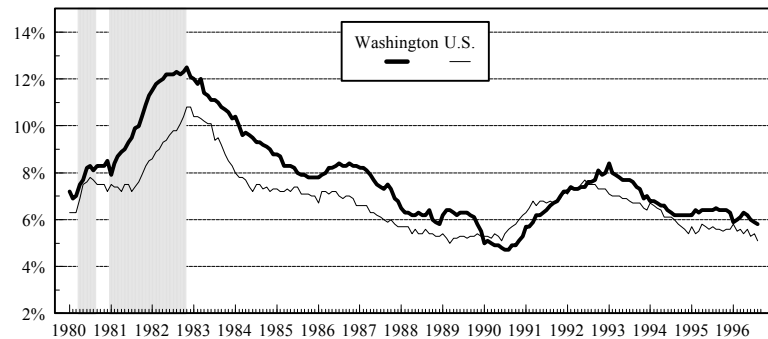
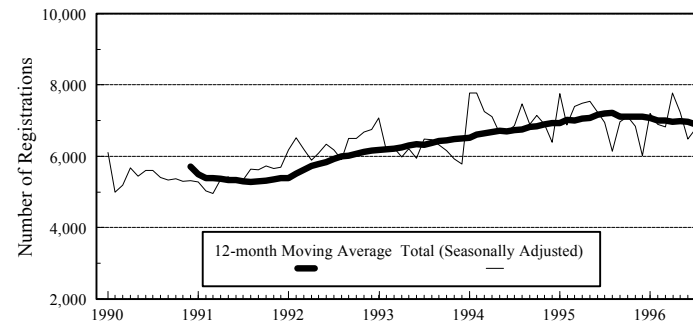


CHART 2.4

New Business Registrations with the Dept. of Revenue
January 1990 to July 1996



Shaded areas correspond to Washington State employment downturns.

Washington State Leading Indicators

CHART 2.5

The Washington and U.S. Indexes of Leading Indicators
January 1969 to August 1996

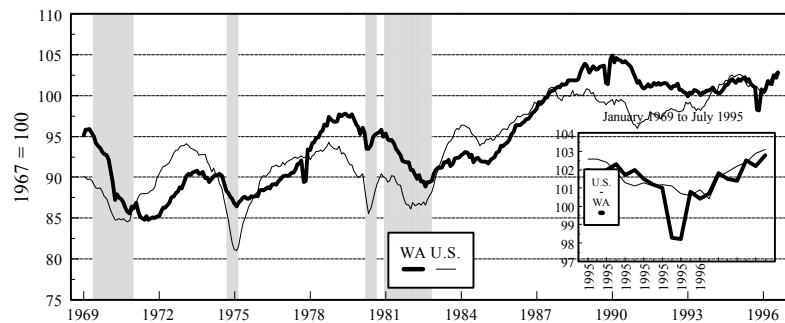


CHART 2.6

Initial Claims for State Unemployment Insurance
January 1969 to August 1996, (Seasonally Adjusted)

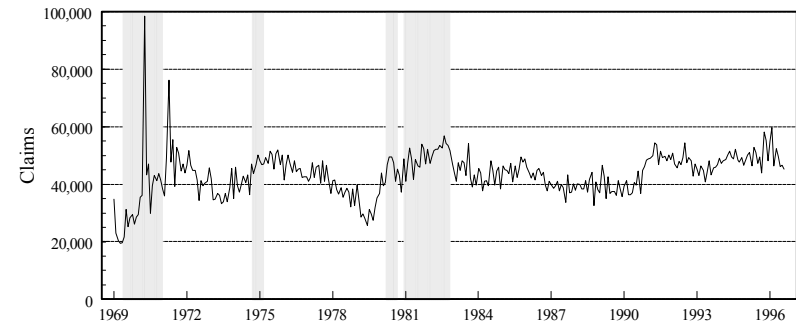
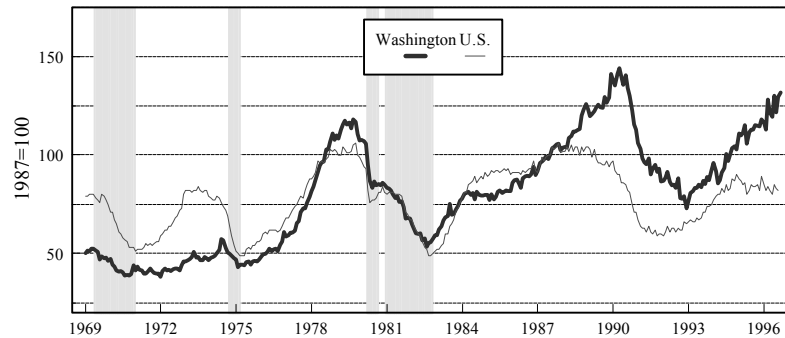


CHART 2.7

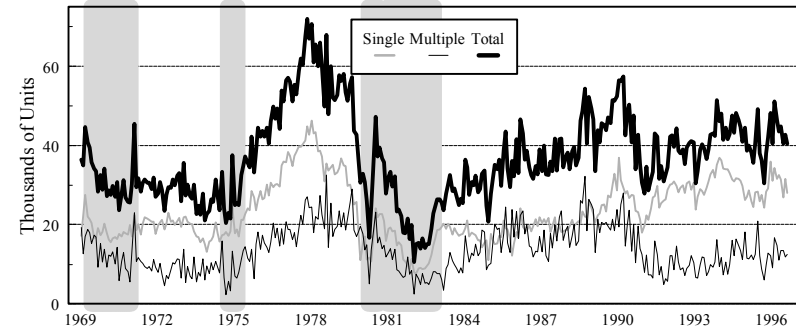
Seattle Times and U.S. Help-Wanted Indexes
January 1969 to September 1996



Shaded areas correspond to Washington State employment downturns.

CHART 2.8

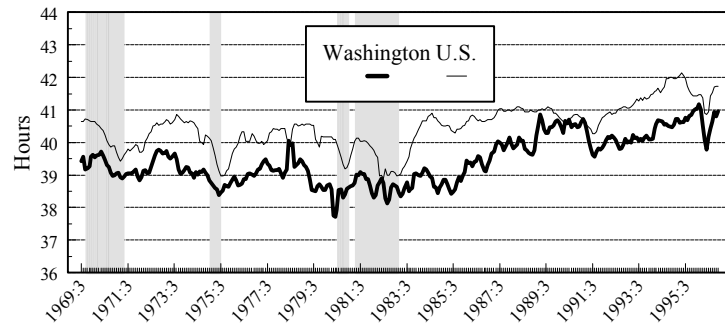
Housing Units Authorized in Washington State
January 1969 to August 1996, (Smoothed, at Annual Rates)



Other State Economic Indicators

CHART 2.9

Average Weekly Hours in Manufacturing
Jan. 1969 - August 1996



March 1969 to July 1996, (3-Month Moving Average)

CHART 2.10

Out-of-State Drivers Moving into Washington
July 1983 to September 1996, 12-Month Moving Average

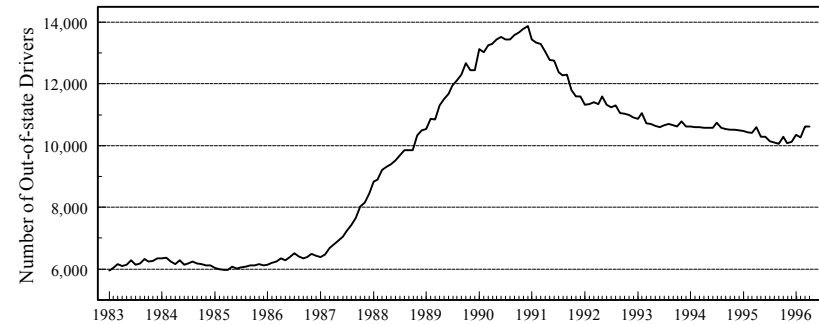
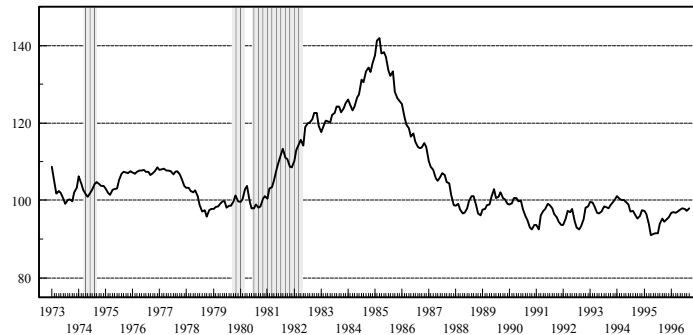


CHART 2.11

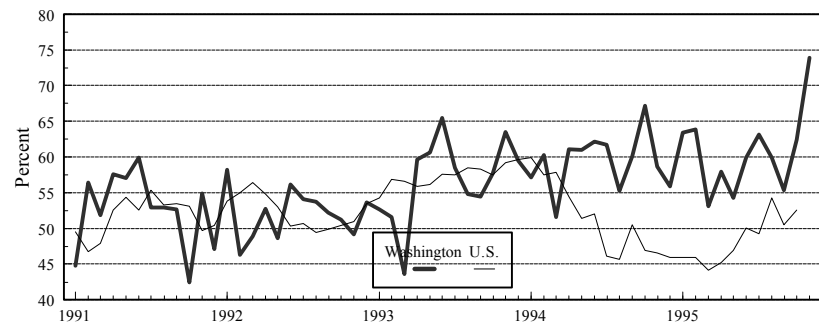
Atlanta Fed's Trade-Weighted Exchange Rate Index
January 1973 - July 1996



Shaded areas correspond to Washington State Employment downturns.

CHART 2.12

Purchasing Management Composite Index
November 1991 to September 1996



Other Economic Indicators

CHART 2.13
Quarterly U.S. GDP Growth (Chain-weighted)
1979-I to 1996-II

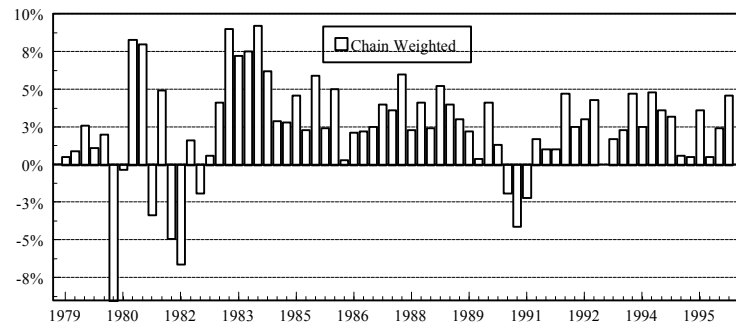


CHART 2.14
Inflation (Consumer and Producer Price Index)
January 1973 - September 1996

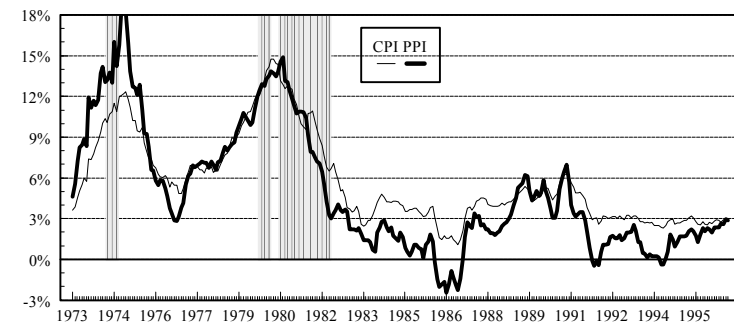
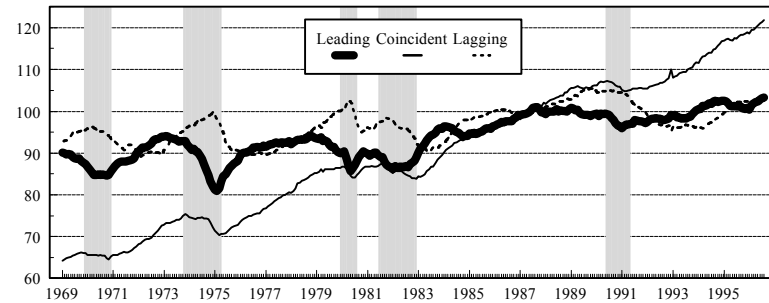


CHART 2.15
U.S. Economic Indicators
January 1969 to August 1996, 1987=100



Shaded areas correspond to U.S. recessions.

CHART 2.16
Employment Growth in Metropolitan Areas of Washington for 1995
July 1995 - July 1996

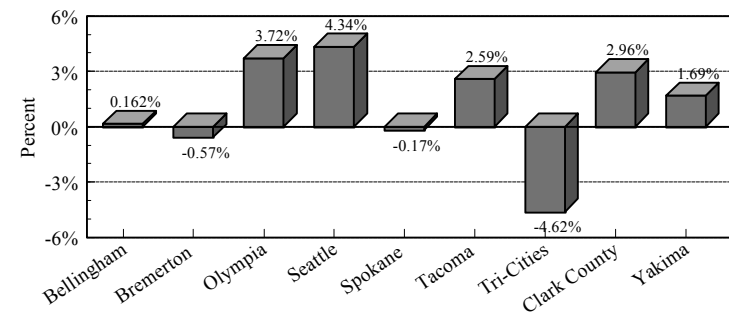


TABLE 2.1

Washington Business Indicators

Historical Data

	Washington Index of Leading Indicators	U.S. Index of Leading Indicators	Seattle Index of Help-Wanted Advertising	U.S. Index of Help-Wanted Advertising	Washington Purchasing Management Index	U.S. Purchasing Management Index
1994:1	101.0	100.6	96.1	77	43.6	56.6
1994:2	100.5	100.6	91.7	79	59.7	55.9
1994:3	100.4	100.6	85.6	80	60.6	56.2
1994:4	100.2	101.4	87.0	80	65.5	57.6
1994:5	100.5	101.3	91.1	83	58.5	57.5
1994:6	100.9	101.5	93.4	81	54.8	58.5
1994:7	101.3	101.9	100.5	85	54.5	58.3
1994:8	101.3	101.8	97.0	82	57.7	57.5
1994:9	101.8	102.4	100.3	83	63.5	59.2
1994:10	102.0	102.5	103.4	88	59.5	59.7
1994:11	101.8	102.3	104.5	87	57.2	59.9
1994:12	101.6	102.4	102.7	90	60.3	57.5
1995:1	102.0	102.6	110.9	87	51.6	57.9
1995:2	101.8	102.6	110.0	86	61.1	54.5
1995:3	102.0	102.4	111.3	85	61.0	51.4
1995:4	102.3	101.9	115.3	86	62.2	52.0
1995:5	101.7	101.3	105.7	80	61.8	46.1
1995:6	102.0	101.1	111.7	81	55.3	45.7
1995:7	101.5	101.3	112.9	85	60.1	50.5
1995:8	101.2	101.1	112.9	84	67.2	46.9
1995:9	101.0	101.2	115.2	83	58.7	48.9
1995:10	98.3	101.1	114.9	84	55.9	46.8
1995:11	98.2	100.7	114.7	82	63.4	46.0
1995:12	100.8	100.6	118.0	88	63.9	46.0
1996:1	100.4	100.9	116.5	85	53.1	44.2
1996:2	100.7	100.4	112.8	82	58.0	45.2
1996:3	101.8	101.6	128.1	84	54.2	46.9
1996:4	101.5	101.9	121.7	82	59.0	50.1
1996:5	101.4	102.2	119.5	80	63.2	49.3
1996:6	102.5	102.4	130.1	85	59.9	54.3
1996:7	102.2	102.9	121.8	83	55.4	50.5
1996:8	102.8	103.1	129.4	82	62.5	52.6
1996:9			131.7	NA	73.9	NA

Chapter 3

Washington State Revenue Forecast Summary

The Economic and Revenue Forecast Council approved a \$126.3 million increase to the General Fund-State revenue forecast for the 1995-97 and 1997-99 biennia on September 19, 1996. The forecast for the current biennium was increased \$57.1 million while the forecast for the 1997-99 biennium was raised \$69.2 million. Although collection experience since the June forecast indicates that the forecast has been pretty much on track for the past three months, improvement in the state's employment outlook, especially in the high wage aerospace sector, is expected to enable the economy and revenue to grow a little faster than expected in June. The improvement to the state's employment outlook is the primary source for the modest increase in the revenue forecast. There is little overall change in the national outlook, with the exception that growth nationally is now expected to be a little stronger in the current biennium and a little weaker next biennium than assumed in June. Nationally, growth is expected to slow from a strong 4.2 percent pace in the second quarter; however, the economic expansion is expected to continue through the end of fiscal 1999, with the threat of an imminent national recession becoming less of a concern. The September 1996 forecast continues to assume that the state's economy and reve-

nue growth will continue on a moderate growth, low inflation course.

With the improvement to the revenue forecast, the projected ending fund balance for the 1995-97 biennium now totals \$500.7 million. This is based on the post 1996 legislative session appropriation level of \$17.6 billion adjusted for fiscal 1996 reversions (preliminary) and the September 1996 forecast. The September 1996 General Fund -State forecast of \$17,524.4 remains below the current estimate of the Initiative 601 spending limit of \$17,877 million. The September forecast for the 1997-99 biennium exceeds the July 1996 estimate of the Initiative 601 spending limit for the 1997-99 biennium by an estimated \$207 million.

Background and Assumptions

The Washington State General Fund-State forecast is prepared quarterly in conjunction with the state economic forecast for the Economic and Revenue Forecast Council. The Economic and Revenue Forecast Council was created by Chapter 138, Laws of 1984, to provide an objective revenue forecast for both executive and legislative branches of state government. The Council consists of six members, two appointed by the

TABLE 3.1
Revision to the General Fund-State Forecast
September 1996
(Millions of Dollars)

	CASH BASIS		
	1995-1997 Biennium	1997-1999 Biennium	Total
September 1996 Revenue Forecast Revision			
Legislation	---	---	---
Forecast Change	57.1	69.2	126.3
Total Change	\$57.1	\$69.2	\$126.3

Governor and two appointed by the Legislature from each caucus of the Senate and House of Representatives. Current members of the Economic and Revenue Forecast Council are listed inside the front cover of this publication. The General Fund-State revenue forecast is updated four times per year: March (February in even-numbered years), June, September, and November. Each state agency engaged in revenue collection is responsible for forecasting revenues it collects or administers. The staff of the Economic and Revenue Forecast Council is responsible for the preparation of the state economic forecast and the revenue forecast of the Department of Revenue's General Fund-State sources. The staff is also responsible for review and coordination of the revenue forecasts of agencies that collect relatively large amounts of General Fund-State revenue. These are the Department of Licensing, the Lottery Commission, the Insurance Commissioner's Office, the State Treasurer, the Liquor Control Board and the Office of Financial Management. The Office of Financial Management is responsible for summarizing the forecasts of all other state agencies which collect relatively smaller amounts of General Fund-State revenue as well as overseeing the tuition forecasts which are prepared by the various colleges and universities. For each quarterly update, the staff of the Economic and Revenue Forecast Council, under direction of the Executive Director, reviews (and if warranted, modifies) a national economic forecast prepared by Data Resources Incorporated (DRI). A state economic forecast is then prepared using an econometric model that links Washington's economy to the national economy. DRI's national forecast is the primary driver for the state economic forecast. After review by the Governor's Council of Economic Advisors, the economic forecast is used to prepare a baseline forecast of General Fund-State revenue. Agencies and the staff of the Forecast Council use the economic forecast, in conjunction with revenue models, to prepare a General Fund-State revenue forecast. The revenue forecasts for most major General Fund

sources are prepared using econometric models which link the tax base of major General Fund taxes to the national and state economic forecast. A baseline revenue forecast, along with at least two alternative forecasts, is prepared for all General Fund-State sources and presented to the Forecast Council for approval. Once a forecast is approved by the Council it becomes the official forecast of General Fund-State revenue. An outline of the forecast process, including a summary of the baseline forecast for the 1995-97 biennium (cash basis) approved by the Forecast Council on September 19, 1996, is shown in Table 3.2.

September 1996 Forecast Assumptions

1. The September 1996 forecast is based on current law and administrative practices.
2. The baseline revenue forecast for the 1995-97 and the 1997-99 biennia is based upon the economic forecast presented in Chapter 1 of this publication. The outlook for the state's economy and revenue is in part based on DRI's August 1996 control forecast for the U.S.
3. There are several legal challenges to various aspects of the state's tax laws or administration. Most of these actions are in litigation and are either unresolved or are on appeal. Any impact on General Fund-State receipts or revenue will not be incorporated into the General Fund-State forecast until the issue has been fully resolved.
5. There are some non-economic assumptions affecting General Fund-State revenues embedded in the forecast for the 1995-97 biennium. Some of these are summarized below.
 - Beginning July 1992, higher education tuition and fees are no longer part of the

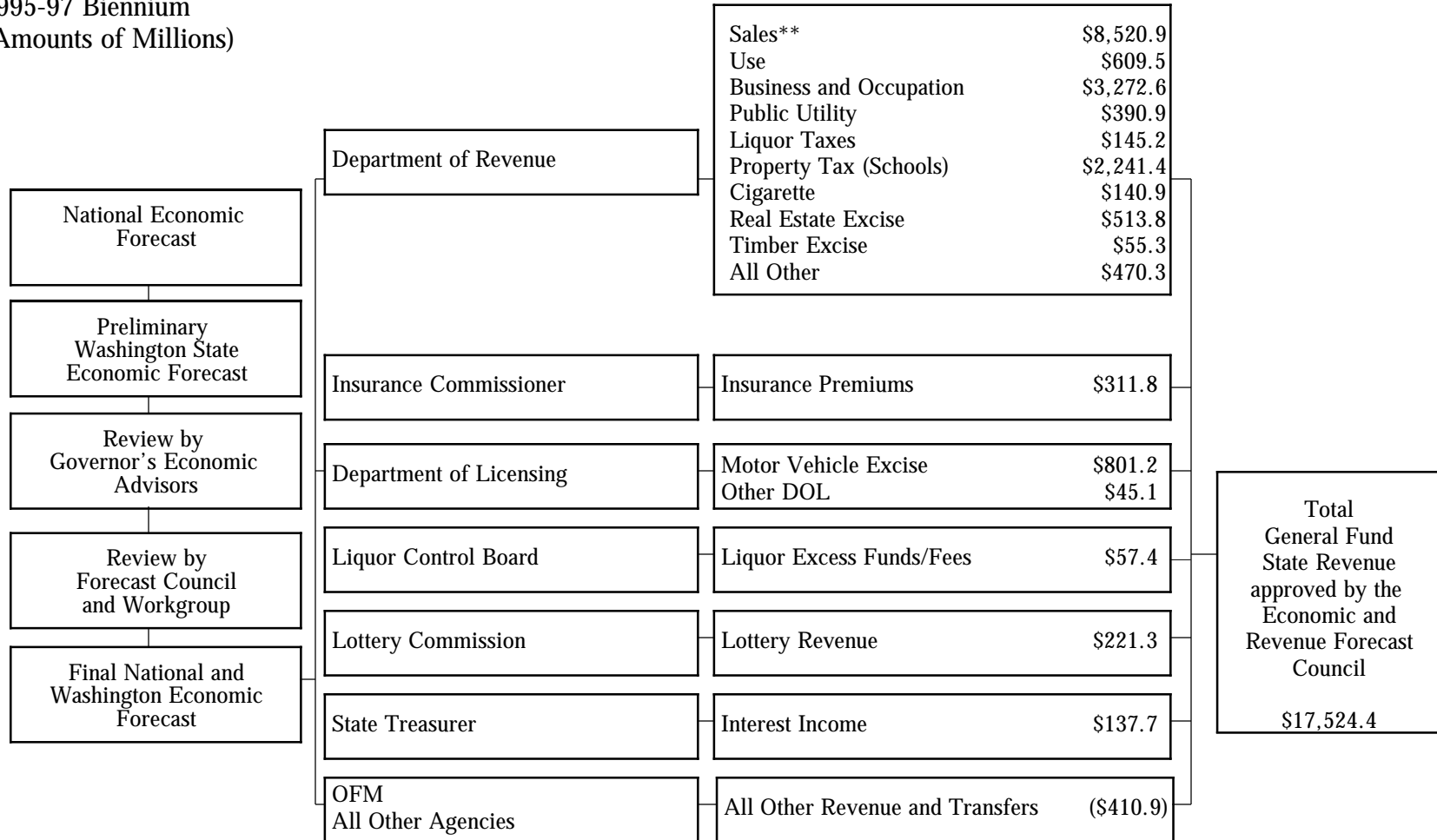
TABLE 3.2

Economic and Revenue Forecast Flow Chart^{*}

General Fund-State

1995-97 Biennium

(Amounts of Millions)

^{*} Cash Basis^{**} Rental car sales tax is included in the Department of Revenue "Other" category, for fiscal 1996 and in the motor vehicle excise tax total for fiscal 1997.

state General Fund. Instead, revenues from tuition and fees are placed in the operating funds of the individual colleges and universities. Because of this change, tuition and fees are included in only one year of the 1991-93 biennium General Fund-State revenue total and are excluded from the 1993-95, 1995-97, and 1997-99 biennial totals. The legislation enacting this change stipulates that the tuition and fee forecast is still to be reviewed by the Economic and Revenue Forecast Council. Pursuant to this, we have included the tuition forecast separately in Table 3.17.

- There have been several legislative and other non-economic changes which affected actual receipts for the 1991-93 and the 1993-95 biennia as well as the forecast for the 1995-97 and 1997-99 biennia. Actual General Fund-State receipts for the 1991-93 biennium include \$179 million due to legislation. The 1993-95 biennium total has been increased by a net \$330 million as a result of action by the Legislature. The forecast for the 1995-97 biennium has been reduced \$635 million due to legislation.

Recent Collection Experience

General Fund-State collections were \$24.3 million, 0.8 percent, above the forecast in the three months since the last forecast. Collection experience was actually much closer than this after adjusting for a large audit payment. An audit agreement between the Department of Revenue and a major taxpayer resulted in a large, unanticipated tax payment in early July. This payment will be offset by lower payments over the course of fiscal 1997. Adjusting for the impact of this change in reporting, collections were actually slightly below (\$2.7 million) expectations in the three months since the June forecast. Revenue Act taxes, the state's major excise taxes (re-

tail sales, business and occupation, use, public utility, and tobacco products taxes), were also (coincidentally) \$2.7 million less than expected on an adjusted basis. Other taxes collected by the Department of Revenue were \$5.3 million below expectations, primarily due to weaker than expected cigarette, property (state levy), estate and timber excise tax receipts. Lottery sales were considerably weaker than expected which resulted in an \$8.6 million shortfall in transfers to the General Fund since the June forecast. The shortfall in lottery proceeds was nearly offset by stronger than expected collections reported by the Department of Licensing, primarily motor vehicle excise tax receipts. These were \$7.3 million above expectations during the past three months. Other General Fund-State revenue reported by agencies other than the Department of Revenue, the Department of Licensing, and the Lottery, ended fiscal 1996 \$6.6 million above what was expected in June.

The small collection variance in the June 11 through September 10 collection period (May through July business activity) indicates the state's economy is behaving about as expected. Although revenue growth of Revenue Act taxes slowed a bit in the second and third quarters, overall growth was about as expected. Revenue Act collections in the last three months were 3.3 percent above a year ago. This rather modest increase includes the impact of tax law changes (reductions), thus understating the underlying level of business activity. A variety of tax law changes including a reduction in some B&O tax rates, expansion of the sales tax deferral program, and enactment of a sales and use tax exemption for machinery and equipment purchased by manufacturers, have resulted in lower tax payments during the past three months. Adjusting for legislation, tax receipts were up 4.4 percent. This is a slight improvement over the 4.1 percent second quarter growth, but below the 6.1 percent increase experienced in the first quarter of 1996. Preliminary data for the last three months continued to show strong growth in most

retailing sectors, as well as the hotel/motel sector and in some service sectors. Most other non-retailing sectors were weak, especially manufacturing, construction, and the finance, insurance and real estate sectors. Retailing was led by department and general merchandise stores, food stores, and automobile dealers.

Other General Fund taxes collected by the Department of Revenue were \$5.3 million below the estimate for the three months since the June forecast. Weaker than expected cigarette, property tax, estate and timber excise tax receipts accounted for the shortfall. In most cases the shortfall was small. Real estate excise collections were slightly above the estimate during the last three months. After rebounding strongly in the second quarter, growth slowed during the last three months. Taxable real estate excise activity in July (closings reported by counties and reflecting August General Fund collections) was 3.1 percent above the year-ago level and was up 6.7 percent in the past three months, after having increased 26.7 percent during the first five months of the year. The slower growth was expected as the impact of higher interest rates began to erode the buying power of a larger share of households.

Weaker real estate activity was pretty much across the board. There were a few exceptions and western Washington counties tended to fare a little better than those in eastern Washington. During the last three months, taxable real estate excise activity in western Washington counties was up 7.4 percent, compared to 28.2 percent in the first five months of 1996 and compared to only 2.8 percent in eastern Washington counties. In the May through July period, King County was up 10.3 percent, having increased 39.8 percent during the previous five months. In the most recent three month period taxable real estate activity was up 14 percent in Snohomish County, after increasing 44 percent in the January through May period.

TABLE 3.3

Collection Variance

June 11 - September 10, 1996

Based on June 1996 Forecast

(Millions of Dollars)

Agency	Collection Variance	Percent of Estimate
Department of Revenue		
Revenue Act*	\$24.3	1.5%
Non Revenue Act**	(5.3)	(1.2)%
Subtotal	\$19.0	0.4%
Department of Licensing**	(\$7.3)	(6.8%)
Lottery**	(8.6)	(29.9%)
Other ***	6.6	NC
Total	\$24.3	0.8%

* Revenue Act taxes consist of retail sales, business and occupation, use, public utility, and tobacco products taxes as well as penalty and interest receipts. Variance based on collections June 11 - September 10, 1996

** Variance based on collections from June 1996 through August 1996. Major Non Revenue Act taxes in this category include: state property tax levy, real estate excise tax and estate tax.

*** Variance for other agencies' General Fund revenue and transfers, as of the end of fiscal 1996. Detail may not add to total due to rounding.

General Fund-State taxes collected by the Department of Licensing, primarily motor vehicle excise tax revenue, were \$7.3 million above the June forecast. During the last three months collections were 1.6 percent below the year-ago level. The Lottery Commission's General Fund deposits were \$8.6 million below the June forecast during the last three months. As is often the case, weak lotto sales, primarily due to lack of a large lotto jackpot, was a major factor in the weaker than expected transfers. However, recent evidence (sales for the first three months of fiscal 1997) shows that sales of all games have been consistently lagging behind expectations. In this period, Lottery General Fund deposits were 22.2 percent below the year-ago level. Table 3.3 summarizes General Fund-State collection experience since the June forecast.

The Forecast for 1995-97 and 1997-99 Biennia

The September 1996 economic forecast assumes continuation of moderate economic growth with inflation in check. The current forecast for General Fund-State revenues is consistent with this overall healthy economic environment. The General Fund-State forecast for the 1995-97 biennium totals \$17,524.4 million, \$960 million above the 1993-95 biennium. This is an increase of 5.8 percent (1.2 percent adjusted for inflation). The relatively weak growth is due largely to tax law changes which are expected to significantly lower 1995-97 tax receipts. Legislation in 1994, 1995 and in 1996 has reduced expected revenue in the 1995-97 biennium by a total of \$635 million. Excluding the impact of legislation, General Fund-State revenue is expected to grow 9.9 percent (5.1 percent adjusted for inflation) in the 1995-97 biennium.

With the increase to the forecast in September, revenue growth in the 1995-97 biennium is now expected to slightly outpace growth during the 1993-95 biennium. General Fund-State cash receipts for the 1993-95 biennium were surprisingly strong, given major job losses in aircraft manufacturing, the state's largest manufacturing industry. General Fund-State collections for the 1993-95 biennium increased \$1.7 billion, 11.5 percent (5.9 percent adjusted for inflation) over the receipts collected during the 1991-93 biennium. Part of this growth was due to an addition of \$330 million to the 1993-95 biennium due to legislation. Adjusting for new legislation, General Fund-State cash receipts increased 9.2 percent in the 1993-95 biennium.

The dominant influence on the 1995-97 biennium's revenue outlook is the health of the state's economy. Conditions are favorable. The national expansion is expected to continue, albeit at a modest pace, for the remainder of this biennium and into the next.

TABLE 3.4

General Fund-State Collections * Cash Basis (Millions of Dollars)

Biennium	Current Dollars*	Percent Change	1992 Chained Dollars	Percent Change
1961-63	\$817.1		\$3,447.7	
1963-65	866.2	6.0	3,564.6	3.4%
1965-67	1,128.6	30.3	4,460.9	25.1
1967-69	1,440.5	27.6	5,330.2	19.5
1969-71	1,732.7	20.3	5,878.5	10.3
1971-73	1,922.1	10.9	6,013.6	2.3
1973-75	2,372.4	23.4	6,424.9	6.8
1975-77	3,395.0	43.1	7,997.6	24.5
1977-79	4,490.0	32.3	9,250.6	15.7
1979-81	5,356.6	19.3	9,170.3	-0.9
1981-83	6,801.5	27.0	10,102.5	10.2
1983-85	8,202.3	20.6	11,213.0	11.0
1985-87	9,574.6	16.7	12,249.6	9.2
1987-89	10,934.1	14.2	12,941.7	5.6
1989-91	13,308.9	21.7	14,343.5	10.8
1991-93	14,862.2	11.7	14,875.2	3.7
1993-95	16,564.6	11.5	15,753.3	5.9
1995-97 ^F	17,524.4	5.8	15,938.6	1.2
1997-99 ^F	19,246.1	9.8	16,627.3	4.3

^F - September 1996 Forecast; Beginning July 1992 tuition revenue is no longer part of the General Fund-State total.

* Total General Fund-State collections-cash receipts basis. Includes rate, base and administrative changes; Modified Cash Basis: 1985-87 & prior; pure cash basis: 1987-89 & after. Changes among biennia may not be comparable because the biennial revenue totals shown here include the impact of rate, base and administrative changes on total collections.

Source: Department of Revenue and the Office of Financial Management. Office of the Forecast Council's September 1996 forecast.

The continuation of the national expansion, along with the announcement by The Boeing Company of plans to increase employment above what we were projecting in June is a positive environment for growth of General Fund-State revenue. The expanding workforce at Boeing signals the beginning of the expansionary phase of the aerospace cycle. Washington's economy tends to outperform the U.S. economy when the aerospace sector is expanding and General Fund-

CHART 3.1

General Fund-State Revenue

Millions of Dollars

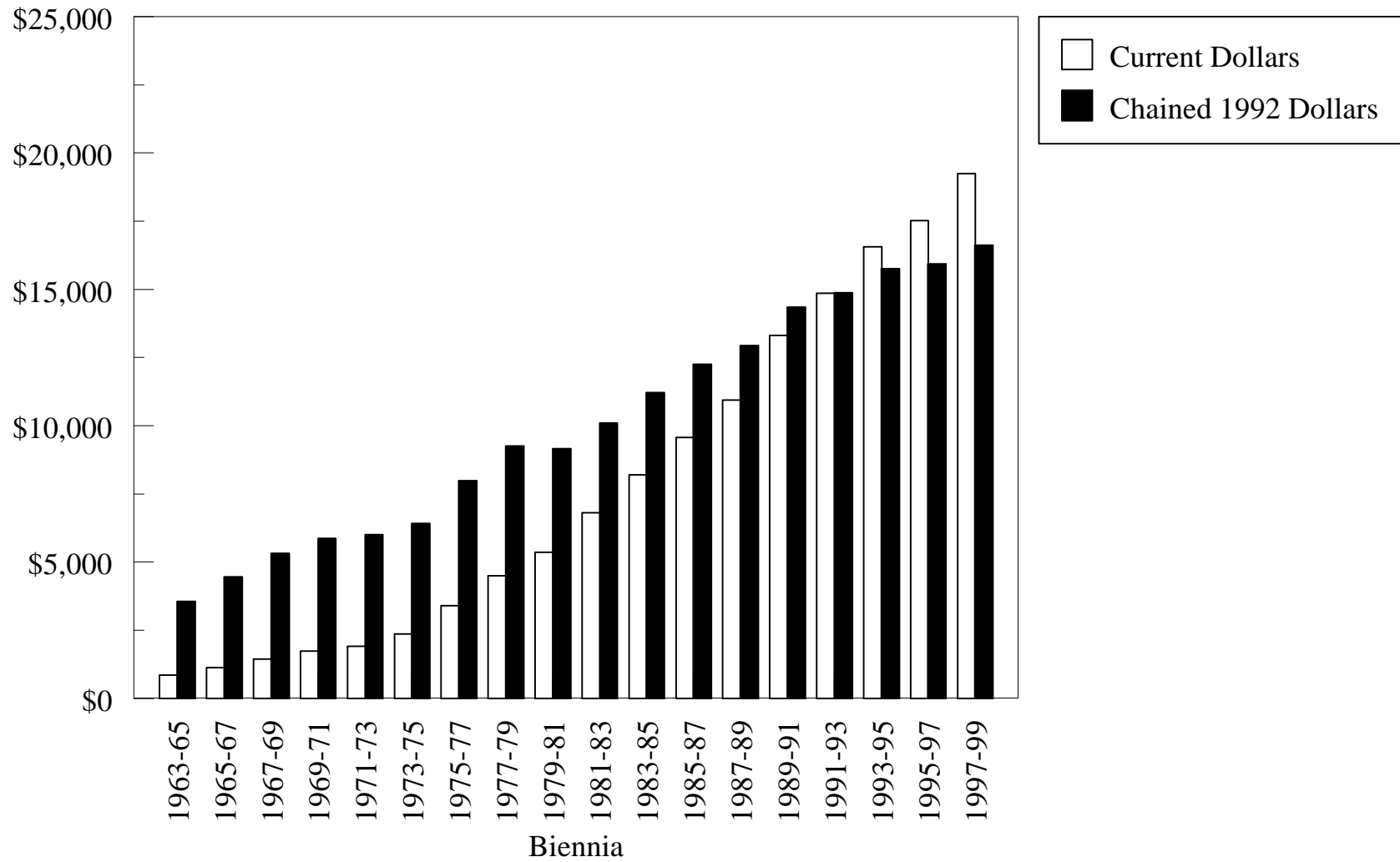


CHART 3.2

General Fund-State Revenue Percent Change

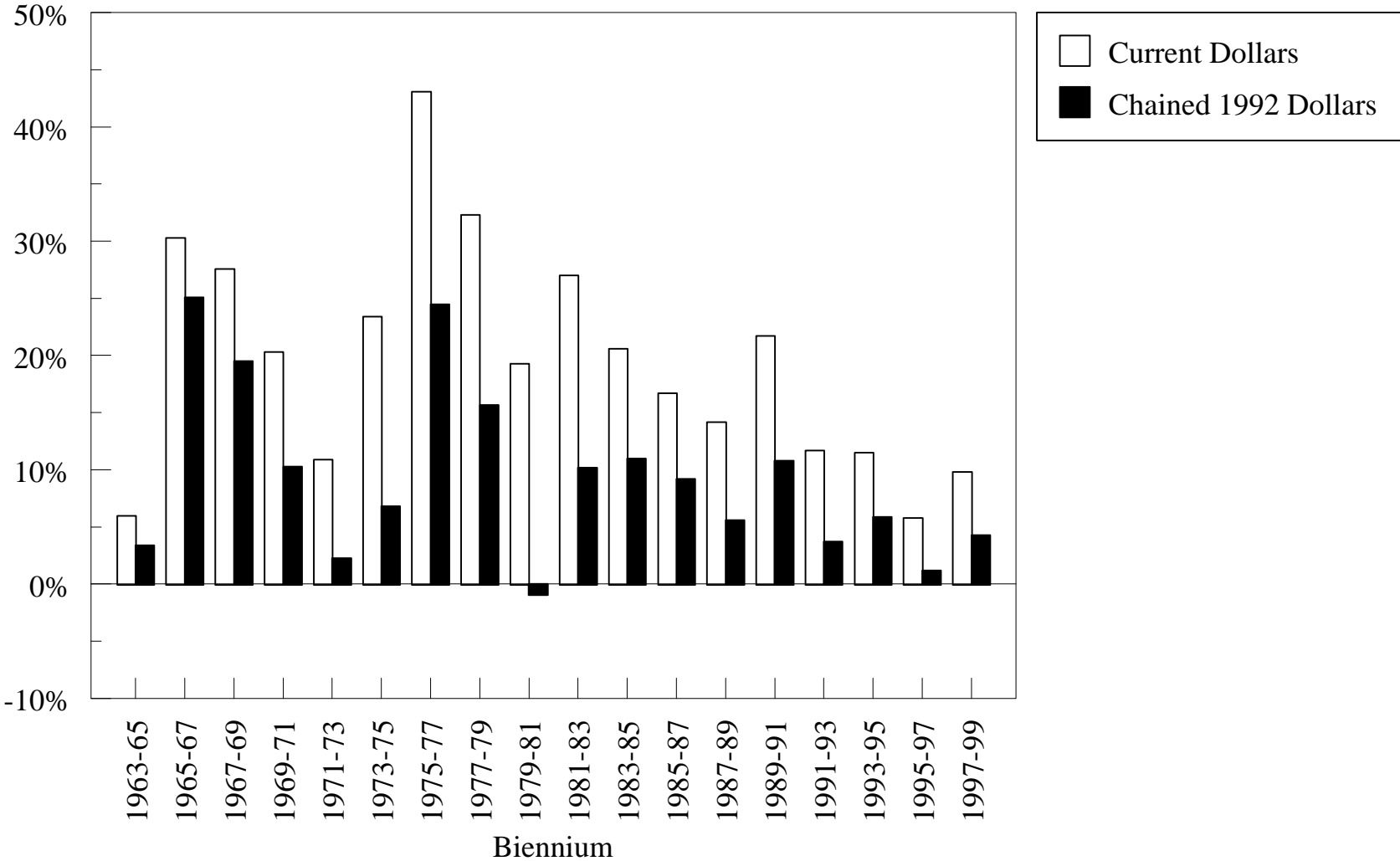
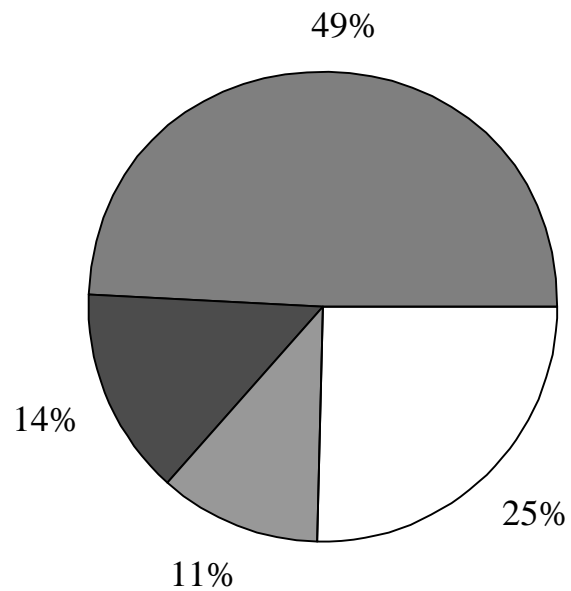
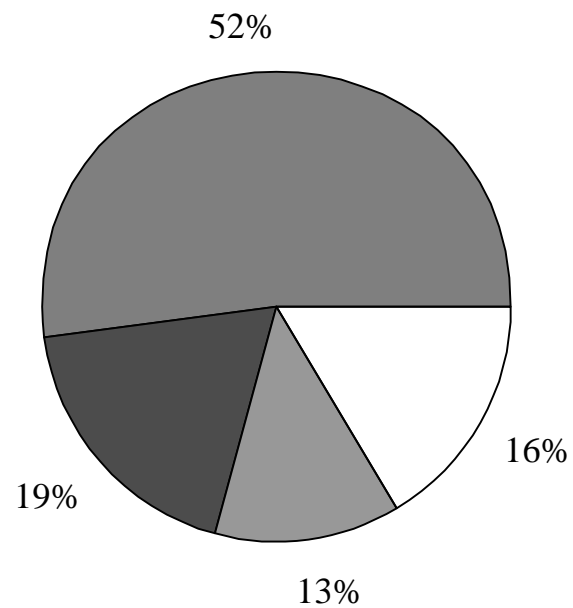


CHART 3.3

Composition of General Fund-State Revenue



1975-77 Biennium



1995-97 Biennium

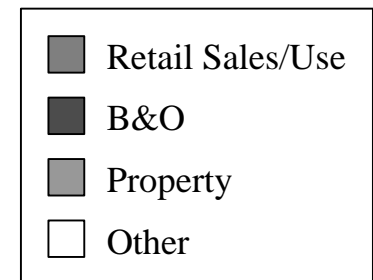
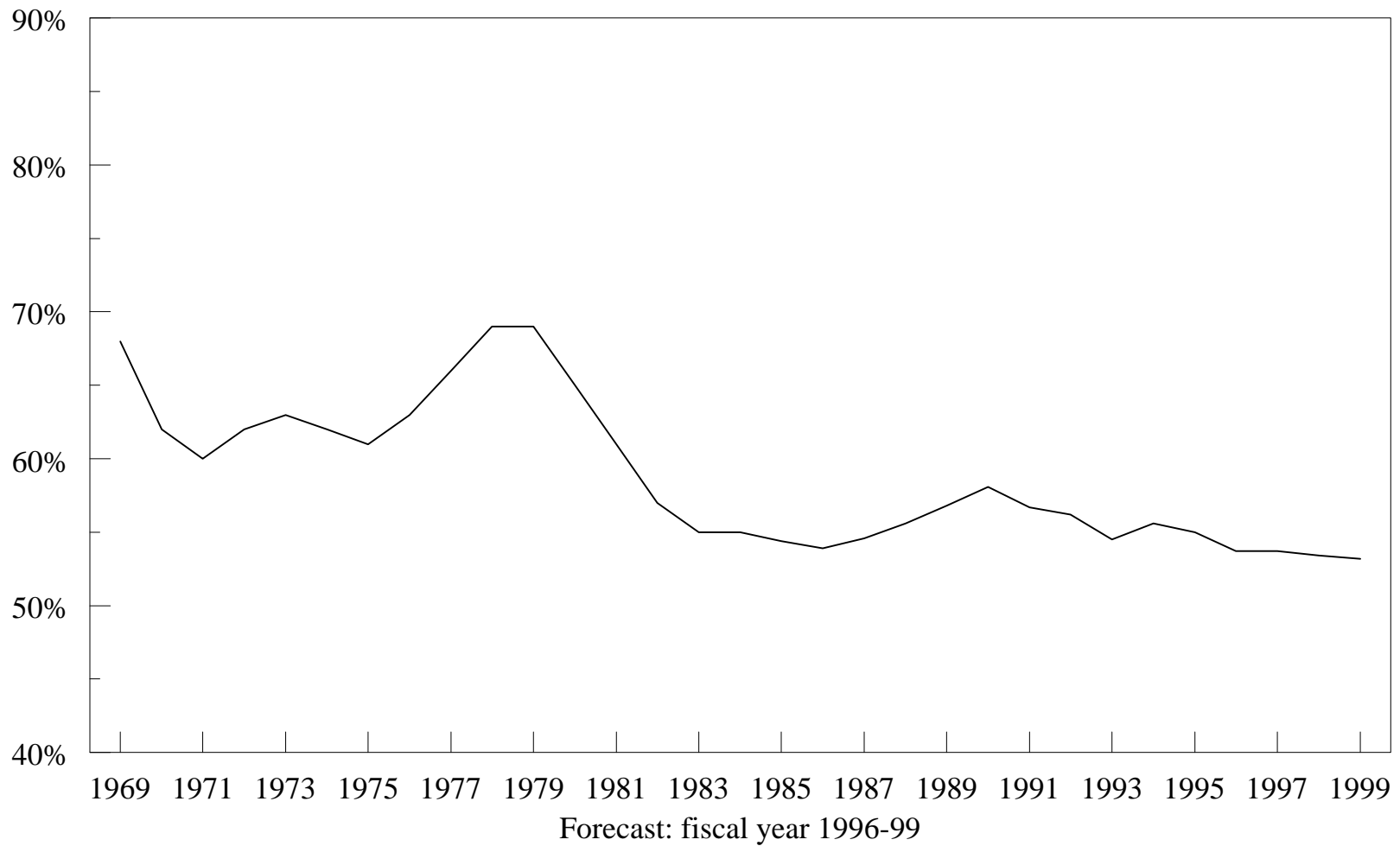


CHART 3.4

Taxable Sales* as a Percent of Personal Income

Fiscal Years



* Constant Base

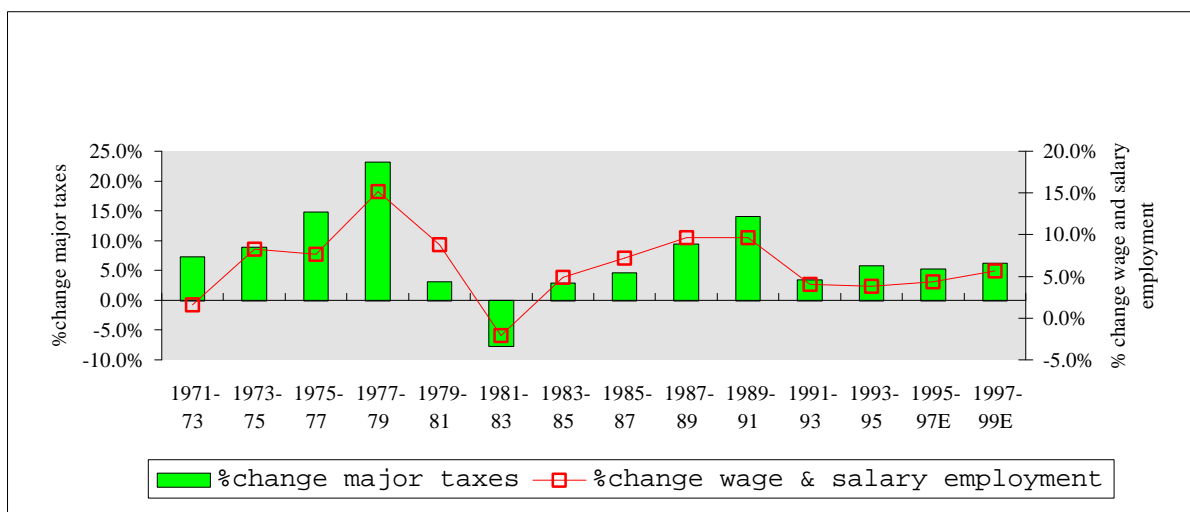
TABLE 3.5

Growth of Major Taxes (Adjusted)*

September 1996 Forecast

<u>Biennium</u>	Growth of Major State Taxes (adjusted)	
	Current <u>Dollars</u>	1992-Chained <u>Dollars</u>
1971-73	16.3%	7.3%
1973-75	25.8%	8.9%
1975-77	32.0%	14.8%
1977-79	40.8%	23.2%
1979-81	24.1%	3.1%
1981-83	6.4%	-7.7%
1983-85	11.8%	2.9%
1985-87	11.7%	4.6%
1987-89	18.3%	9.4%
1989-91	25.2%	14.0%
1991-93	11.4%	3.4%
1993-95	11.3%	5.8%
1995-97E	10.1%	5.2%
1997-99E	11.6%	6.2%

*Estimated growth of six major state taxes (sales, B&O, use, public utility, real estate excise and property) on a tax liability basis, adjusted to a constant rate and base.



State revenue tend to grow more rapidly when the state's economy is strong. Although revenue growth during the first half of the current biennium (fiscal 1996) has been rather sluggish, much of the weakness occurred during the first two quarters of fiscal 1996 when employment growth was pretty weak and before Boeing's announcement of their intention to increase production and employment. There was a noticeable pickup in the rate of growth of major excise taxes in the first quarter, and although growth has slowed a little in the second and third quarters of 1996, improvement is expected for the remainder of the biennium as the impact of a faster rate of employment and income growth boosts confidence and accelerates spending.

The September 1996 outlook for General Fund-State receipts in the 1997-99 biennium (July 1, 1997 - June 30, 1999) continues to improve. General Fund-State receipts are expected to total \$19,246.1 million in the 1997-99 biennium. This is \$1.7 billion, 9.8 percent higher than the forecast for the 1995-97 biennium. Like prior biennia, revenue growth for the 1997-99 biennium is distorted by tax law changes. The most significant change was the expiration of the business and occupation tax surtax. 1993 legislation enacted a 6.5 percent (reduced to 4.5 percent by 1994 legislation) B&O surtax on most business activity subject to the state's B&O tax. The surtax is in effect for the entire 1995-97 biennium but will expire on July 1, 1997, the start of the 1997-99 biennium. Other major legislative changes affecting the growth between biennia include: a one-time property tax reduction affecting only one year of the 1995-97 biennium, a 2 percent insurance premiums tax on health maintenance organizations and health care service contractors which is included in General Fund-State revenue for only part of the 1995-97 biennium and other one-time transfers affecting the 1995-97 biennium but not the 1997-99 biennium. The growth of General Fund-State revenue for 1997-99 adjusting for these tax law changes is 11.1 percent. The modest revenue growth is dictated

by the economic forecast. The September economic outlook assumes the national economic expansion will continue through the end of the 1997-99 biennium. Although growth is expected to continue, it will be modest, with real GDP expected to average only 2 percent per year. The state's economy is expected to grow a little faster than the U.S. as a whole, which is normal in periods of aerospace expansion. This should ensure moderate revenue growth. Legislation aside, most major revenue sources are expected to continue to grow near their long run averages relative to growth in state income and employment.

Washington has no personal or corporate income tax. Three taxes, sales and use, business and occupation and the property tax (state school levy) account for the majority of Washington's total General Fund-State revenue. These three taxes are expected to account for nearly 84 percent of the \$17.5 billion total General Fund-State cash receipts in the 1995-97 biennium and more than 84 percent of the 1997-99 biennium's \$19.2 billion total. The state's reliance on sales, business and occupation, and property taxes has increased over time, rising from 80 percent in the 1991-93 biennium and from 75 percent twenty years ago. The retail sales and use tax, the state's largest revenue source, is projected to generate \$9.1 billion, 52 percent of total revenue in the 1995-97 biennium. The business and occupation tax and the property tax are expected to total \$3.3 billion (18.7 percent of the total) and \$2.2 billion (12.8 percent of the total) respectively. The property tax's (state school levy) share of the total rises to 13.9 percent in the 1997-99 biennium and the business and occupation tax's share drops to 18.5 percent of the total reflecting the expiration of the 4.5 percent B&O surtax at the end of the 1995-97 biennium.

The sales tax base is expected to increase only 1.4 percent in fiscal 1996, after having increased 6.7 percent in fiscal 1994 and 4.9 percent in fiscal 1995. Although taxable sales growth was

TABLE 3.6
Taxable Retail Sales*
 September 1996 Forecast
 (Millions of Dollars)

Fiscal Year	Amount	Percent Change
1971	\$8,748	1.6%
1972	9,545	9.1
1973	10,646	11.5
1974	11,877	11.6
1975	13,380	12.7
1976	15,493	15.8
1977	17,626	13.8
1978	21,121	19.8
1979	22,309	5.6
1980	24,057	7.8
1981	25,197	4.7
1982	26,097	3.6
1983	29,368	12.5
1984	29,156	-0.7
1985	30,687	5.3
1986	32,158	4.8
1987	34,647	7.7
1988	37,452	8.1
1989	41,429	10.6
1990	47,183	13.9
1991	49,812	5.6
1992	53,189	6.8
1993	55,319	4.0
1994	59,009	6.7
1995	61,927	4.9
1996 ^F	62,823	1.4
1997 ^F	65,342	4.0
1998 ^F	68,706	5.1
1999 ^F	72,640	5.7

^F - Forecast

* - Actual base. Includes statutory and administrative changes to the tax base. Historical fiscal year data are from quarterly taxable sales reported by taxpayers on the state's Combined Excise Tax return. Historical data may be slightly different than previously reported due to use of seasonally adjusted data in the past. Major base changes include: exemption of off-premises food in 1978:3 (fiscal 1979); extension of the sales tax base to off-premises food 1982:2 to 1983:2; food again exempt 1983:3 (fiscal 1984). Base extended to some personal services, effective July 1993. Some personal services are exempt effective July 1994. Exemption of manufacturing equipment effective fiscal 1996. Additional sales tax exemptions (including an exemption for R&D equipment) enacted effective fiscal 1997. Change in reporting effective fiscal 1997.

slightly stronger than expected in the first quarter of 1996, evidence of slowing revenue growth in the second quarter has led to a slightly lower forecast for taxable sales for fiscal 1996 than was projected in June.

As expected in June, first quarter taxable sales showed some improvement from a very weak fourth quarter. Taxable sales increased 2.8 percent in the first quarter from the year-ago level, having declined 0.1 percent in the fourth quarter. Part of the weakness is attributable to a tax law change. This change reduces the sales and use tax base by providing a sales tax exemption for the purchase of machinery and equipment by manufacturers. The improvement in the first quarter was likely helped by the settlement of the strike at Boeing, which idled 22,500 aerospace workers during most of the fourth quarter and contributed to weak holiday spending. With the strike over, confidence as well as income improved and spending picked up.

Taxable sales growth varied greatly by sector in the first quarter. The retailing sector, which accounts for about half of total taxable sales, increased a healthy 7.7 percent (8.5 percent adjusting for the impact of changes to the Standard Industrial Classification (SIC) code of several large taxpayers), led by auto and gas retailers, up 13.4 percent and furniture and household equipment stores, up 16.9 percent. Taxable sales reported by general merchandise and apparel retailers were up 8.3 percent in the first quarter while sales reported by food stores and miscellaneous retailers were up 5.9 percent and 6.4 percent respectively. Among retailers, only building material, hardware and nursery retailers declined (0.6 percent). Nonretailing sectors were generally much weaker, with a 7.8 percent decline reported by the construction sector, a 15.4 percent decline reported by the manufacturing sector, an 11.7 percent decline in the finance, insurance and real estate sector and a 3.5 percent decline reported in the service sector. Exceptions were the transportation, utilities

and communications sector which posted a 2.8 percent increase in the first quarter and the wholesale sector which reported taxable sales up 5.1 percent. The changes by sector for the first quarter are based on data adjusted for changes in the SIC codes of firms that occurred between the first quarter of 1996 and 1995.

First quarter taxable sales growth was generally strongest in smaller, rural counties, with eleven eastern Washington counties above the statewide average, compared to only six western Washington counties. Exceptions to this pattern were Clark and King counties. Clark County was the fastest growing county in the first quarter of 1996, up 13.5 percent from a year ago. King County also exceeded the statewide average of 2.8 percent, increasing 4.9 percent. Other large counties did not fare so well. Taxable sales were up only 1.8 percent in Spokane County and only 1.7 percent in Snohomish County. In Pierce County, taxable sales declined 0.1 percent.

The growth of the sales tax base is expected to rebound to 4 percent in fiscal 1997, slightly weaker than what was assumed in the June forecast. The lower growth is due to a change in reporting of business activity, not due to less activity. (Beginning in fiscal 1997, a taxpayer is reporting activity previously reported as taxable sales as a use tax assessment payment.) This reporting change reduces the growth of taxable sales about 0.6 percent in fiscal 1997. The outlook for taxable sales growth has improved for the 1997-99 biennium since the June forecast, but remains moderate for both fiscal 1998 and 1999. Taxable sales activity is projected to increase 5.1 percent in fiscal 1998 and 5.7 percent in fiscal 1999. Growth is consistent with the long run relationship between the growth of taxable sales and state personal income.

TABLE 3.7
Summary Changes to the General Fund-State Forecast

September 1996 Cash Forecast
(Millions of Dollars)

Change Between June 1996 and September 1996 Forecasts		
1995-97 BIENNIUM		
Collection Experience ¹		(\$2.7)
Department of Revenue		
<i>Major Excise Taxes *</i>	(\$2.7)	
<i>Other</i>	(\$5.3)	
Dept. of Licensing/Lottery	(\$1.3)	
Other Agencies	\$6.6	
Administrative Change		0.0
Department of Revenue	(\$9.5)	
Department of Licensing	\$9.5	
Forecast Change (remainder of biennium)		
Department of Revenue	\$50.9	\$59.8
Other Agencies	\$8.9	
1997-99 BIENNIUM		
Administrative Change		0.0
Department of Revenue	(\$20.4)	
Department of Licensing	\$20.4	
Forecast Change		\$69.2
Department of Revenue	\$58.5	
Other Agencies	\$10.7	
Total Change: 1995-97 and 1997-99 Biennia**		\$126.3

* Retail sales, B&O, use, public utility and tobacco products taxes.

** Detail may not add because of rounding

1 Collection experience as of September 10, 1996, for major taxes; as of August 31 for other Department of Revenue, Department of Licensing, and Lottery. As of June 30 for other agencies. Collection experience is adjusted for the impact of a reporting change.

Forecast Change for 1995-97 and the 1997-99 Biennia

The forecast for the 1995-97 biennium was increased \$57.1 million in September 1996, an increase of 0.3 percent. The change was primarily due to a modest improvement to the state and na-

tional economic outlook; collection experience by itself suggested little change from the June forecast. There was also a \$69.2 million increase to the General Fund-State forecast for next biennium, bringing the total increase for the 1995-97 and 1997-99 biennia to \$126.3 million.

Table 3.7 summarizes changes to the cash forecast in September by type of change. Tables 3.8 through 3.11 summarize revisions to the 1995-97 and 1997-99 biennia by agency. Tables 3.8 and 3.10 are on a cash basis and Tables 3.9 and 3.11 are on a GAAP basis. Table 3.12 provides fiscal year estimates by major revenue source (cash basis). Below is a brief summary of the changes to the General Fund-State forecast by agency.

Department of Revenue

The Department of Revenue's cash forecast for the 1995-97 biennium was increased \$33.3 million in September. A \$42.8 million increase due to an improvement in the economic forecast and collection experience was partially offset by a \$9.5 million reduction due to an administrative change that results in the state portion of the rental car tax being reported by the Department of Licensing rather than the Department of Revenue starting in July 1996 (fiscal 1997). In the three months since the June forecast, Department of Revenue General Fund sources were \$8.1 million less than expected (adjusting for an unusually large payment in July), thus a \$50.9 million increase reflecting economic improvement is expected during the remaining nine months of the biennium. Major excise taxes accounted for the majority of the revision to the forecast in September. There was a significant increase to the use tax forecast. This tax was increased \$38.2 million for the 1995-97 biennium, actually accounting for more than the total change to Department of Revenue sources. Of the total use tax change, \$25 million is due to a reporting change and \$13.2 million is due to a

combination of actual collection experience and the improved economic outlook. The reporting change is in a taxpayer reporting tax payments as use tax rather than sales tax, thus the \$25 million additional use tax revenue is exactly offset by a \$25 million reduction to the state retail sales tax forecast. Overall, the retail sales tax forecast was reduced \$29.2 million for the 1995-97 biennium. This change was comprised of the \$25 million reduction resulting from the reporting change which increased the use tax forecast, a \$5.4 million increase due to a combination of actual collection experience and a better economic outlook, and the \$9.5 million reduction due to the administrative change noted above (shifting the reporting of rental car revenue - rental car revenue is considered part of the retail sales tax in the state's accounting system - from the Department of Revenue to the Department of Licensing). Other changes in the forecast for the 1995-97 biennium included a \$9.4 million increase to the business and occupation tax estimate, a \$7.2 million increase to the public utility tax forecast and a \$5.6 million increase to the real estate excise tax estimate.

In addition to the change for 1995-97, the forecast for Department of Revenue sources was increased \$38 million for the 1997-99 biennium. A \$58.4 million increase due to an improved economic outlook was partially offset by \$20.4 million reduction due to the administrative change noted above, which shifts reporting of the rental car tax from the Department of Revenue to the Department of Licensing.

Major changes to the forecast for next biennium by source include: a \$32 million reduction to the retail sales tax forecast, comprised of a \$38.5 million increase due to an improved economic forecast and a \$70.4 million reduction due to noneconomic factors. These noneconomic changes to the sales tax forecast include a \$50 million reduction due to a change in reporting and a \$20.4 million reduction due to the administrative change that results in the state portion of

TABLE 3.8

CASH BASIS

General Fund-State Forecast by Agency: Cash Basis

Comparison of the September 1996 Forecast to the June 1996 Forecast

1995-1997 Biennium

(Millions of Dollars)

Forecast by Agency	June 1996 Forecast¹	Non-Economic Changes²	Forecast Revision	September 1996 Forecast	Total Change
Department of Revenue					
Retail Sales	\$8,550.1	(\$34.5)	\$5.4	\$8,520.9	\$29.2
Business and Occupation	3,263.2		9.4	3,272.6	9.4
Use	571.3	25.0	13.2	609.5	38.2
Public Utility	383.7		7.2	390.9	7.2
Liquor Sales/Liter	144.0		1.2	145.2	1.2
Cigarette	142.1		(1.2)	140.9	(1.2)
Property (State Levy)	2,242.9		(1.5)	2,241.4	(1.5)
Real Estate Excise	508.2		5.6	513.8	5.6
Timber Excise	55.6		(0.4)	55.3	(0.4)
Other	466.4		3.9	470.3	3.9
Subtotal	16,327.5	(9.5)	42.9	16,360.8	33.3
Department of Licensing					
Motor Vehicle Excise**	786.6	9.5	5.1	801.2	14.7
Other	45.6		(0.5)	45.1	(0.5)
Insurance Commissioner					
Insurance Premiums	313.9		(2.1)	311.8	(2.1)
Liquor Control Board					
Liquor Profits and Fees	53.9		0.6	54.6	0.6
Beer and Wine Surtax	2.9		0.0	2.9	0.0
Lottery Commission					
Lottery Revenue	226.0		(4.7)	221.3	(4.7)
State Treasurer					
Interest Earnings	130.8		6.8	137.7	6.8
Office of Financial Management					
Other	(420.0)		9.1	(410.9)	9.1
Total General Fund-State ***	\$17,467.3	\$0.0	\$57.1	\$17,524.4	\$57.1

1 Adopted by the Forecast Council June 1996.

2 An administrative change shifts the reporting of the state rental car tax from the Department of Revenue to the Department of Licensing, beginning in fiscal 1997. A change in reporting increases use tax by \$25 million and reduces retail sales tax by \$25 million in the 1995-97 biennium.

** Includes the General Fund-State portion of the Rental Car tax in fiscal 1997.

***Detail may not add to totals because of rounding.

TABLE 3.9

GAAP BASIS

General Fund-State Forecast by Agency: GAAP Basis

Comparison of the September 1996 Forecast to the June 1996 Forecast

1995-1997 Biennium

(Millions of Dollars)

Forecast by Agency	June 1996 Forecast ¹	Non-Economic Changes ²	Forecast Revision ³	September 1996 Forecast	Total Change
Department of Revenue					
Retail Sales	\$8,578.4	(\$34.5)	(\$13.4)	\$8,530.4	(\$47.9)
Business and Occupation Use	3,264.4		33.7	3,298.1	33.7
Public Utility	570.5	25.0	11.4	606.8	36.4
Liquor Sales/Liter	384.6		21.8	406.5	21.8
Cigarette	143.8		1.0	144.8	1.0
Property (State Levy)	142.9		(2.2)	140.7	(2.2)
Real Estate Excise	2,239.5		4.2	2,243.7	4.2
Timber Excise	510.6		2.9	513.5	2.9
Other	55.6		(0.4)	55.3	(0.4)
Subtotal	467.4		6.7	474.1	6.7
	16,357.7	(9.5)	65.7	16,413.9	56.2
Department of Licensing					
Motor Vehicle Excise**	786.5	9.5	0.1	796.1	9.6
Other	45.7		(1.6)	44.0	(1.6)
Insurance Commissioner					
Insurance Premiums	313.9		(2.1)	311.8	(2.1)
Liquor Control Board					
Liquor Profits and Fees	53.9		0.6	54.6	0.6
Beer and Wine Surtax	2.9		(0.0)	2.9	(0.0)
Lottery Commission					
Lottery Revenue	226.0		(3.6)	222.4	(3.6)
State Treasurer					
Interest Earnings	129.8		7.0	136.8	7.0
Office of Financial Management					
Other	(423.4)		13.5	(410.0)	13.5
Total General Fund-State ***	\$17,493.0	(\$0.0)	\$79.5	\$17,572.5	\$79.5

¹ Adopted by the Forecast Council June 1996.

² _{of} An administrative change shifts the reporting of the state rental car tax from the Department of Revenue to the Department of Licensing, beginning in fiscal 1997. A change in reporting increases use tax by \$25 million and reduces retail sales tax by \$25 million in the 1995-97 biennium.

³ Includes accounting changes for the public utility and tobacco products taxes.

** Includes the General Fund-State portion of the Rental Car tax in fiscal 1997.

*** Detail may not add to totals because of rounding.

TABLE 3.10

CASH BASIS

General Fund-State Forecast by Agency: Cash Basis

Comparison of the September 1996 Forecast to the June 1996 Forecast

1997-1999 Biennium

(Millions of Dollars)

Forecast by Agency	June 1996 Forecast¹	Non-Economic Changes²	Forecast Revision	September 1996 Forecast	Total Change
Department of Revenue					
Retail Sales	\$9,347.0	(\$70.4)	\$38.5	\$9,315.1	(\$32.0)
Business & Occupation Use	3,549.4		9.1	3,558.5	9.1
Public Utility	645.1	50.0	1.4	696.6	51.4
Liquor Sales/Liter	435.4		(2.5)	432.9	(2.5)
Cigarette	140.5		2.9	143.4	2.9
Property (State Levy)	143.8		0.0	143.8	0.0
Real Estate Excise	2,672.3		1.6	2,673.8	1.6
Timber Excise	542.2		7.4	549.6	7.4
Other	55.1		(3.1)	51.9	(3.1)
Subtotal	478.0		3.2	481.2	3.2
	18,008.7	(20.4)	58.4	18,046.7	38.0
Department of Licensing					
Motor Vehicle Excise**	879.1	20.4	9.7	909.2	30.1
Other	49.7		(0.6)	49.0	(0.6)
Insurance Commissioner					
Insurance Premiums	303.6		(4.1)	299.5	(4.1)
Liquor Control Board					
Liquor Profits and Fees	53.1		(2.7)	50.4	(2.7)
Beer and Wine Surtax	2.9		0.0	2.9	0.0
Lottery Commission					
Lottery Revenue	253.0		0.0	253.0	0.0
State Treasurer					
Interest Earnings	100.4		8.5	108.9	8.5
Office of Financial Management					
Other	(473.6)		0.0	(473.5)	0.0
Total General Fund-State***	\$19,176.9	\$0.0	\$69.2	\$19,246.1	\$69.2

1 Adopted by the Forecast Council June 1996.

2 An administrative change shifts the reporting of the state rental car tax from the Department of Revenue to the Department of Licensing. A change in reporting increases use tax by \$50 million and reduces retail sales tax by \$50 million in the 1997-99 biennium.

** Includes the General Fund-State portion of the rental car tax.

*** Detail may not add to totals because of rounding.

TABLE 3.11

GAAP BASIS

General Fund-State Forecast by Agency: GAAP Basis

Comparison of the September 1996 Forecast to the June 1996 Forecast

1997-1999 Biennium

(Millions of Dollars)

Forecast by Agency	June 1996 Forecast ¹	Non-Economic Changes ²	Forecast Revision	September 1996 Forecast	Total Change
Department of Revenue					
Retail Sales	\$9,400.5	(\$70.4)	\$37.5	\$9,367.6	(\$32.9)
Business and Occupation Use	3,569.2		11.5	3,580.7	11.5
Public Utility	648.0	50.0	1.0	699.1	51.0
Liquor Sales/Liter	435.3		(2.5)	432.8	(2.5)
Cigarette	139.5		3.4	142.9	3.4
Property (State Levy)	144.7		(1.8)	142.9	(1.8)
Real Estate Excise	2,677.9		(4.1)	2,673.8	(4.1)
Timber Excise	544.8		9.5	554.3	9.5
Other	55.1		(3.1)	51.9	(3.1)
Subtotal	478.3		3.5	481.8	3.5
	18,093.3	(20.4)	54.9	18,127.8	34.5
Department of Licensing					
Motor Vehicle Excise**	879.4	20.4	3.9	903.8	24.3
Other	49.6		(1.9)	47.8	(1.9)
Insurance Commissioner					
Insurance Premiums	303.6		(4.1)	299.5	(4.1)
Liquor Control Board					
Liquor Profits and Fees	53.1		(2.7)	50.4	(2.7)
Beer and Wine Surtax	2.9		(0.0)	2.9	(0.0)
Lottery Commission					
Lottery Revenue	253.0		0.0	253.0	0.0
State Treasurer					
Interest Earnings	99.2		8.6	107.7	8.6
Office of Financial Management					
Other	(473.6)		3.3	(470.3)	3.3
Total General Fund-State ***	\$19,260.6	\$0.0	\$61.9	\$19,322.6	\$61.9

¹ Adopted by the Forecast Council June 1996.² An administrative change shifts the reporting of the state rental car tax from the Department of Revenue to the Department of Licensing. A change in reporting increases use tax by \$50 million and reduces retail sales tax by \$50 million in the 1997-99 biennium.

** Includes the General Fund-State portion of the Rental Car tax in the September forecast.

*** Detail may not add to totals because of rounding.

TABLE 3.12

CASH BASIS

General Fund-State Forecast-Cash BasisSeptember 1996 Forecast: 1995-97 and 1997-99 Biennia
(Millions of Dollars)

Forecast by Source	Fiscal 1995-A	Fiscal 1996-P	Fiscal 1997	1995-97 Biennium	Fiscal 1998	Fiscal 1999	1997-99 Biennium
State Taxes							
Retail Sales**	\$4,126.7	\$4,170.0	\$4,350.9	\$8,520.9	\$4,531.7	\$4,783.4	\$9,315.1
Business and Occupation Use	1,573.6	1,611.8	1,660.8	3,272.6	1,715.5	1,843.0	3,558.5
Public Utility	292.5	294.9	314.6	609.5	339.5	357.1	696.6
Liquor Sales/Liter	182.3	192.2	198.7	390.9	209.5	223.4	432.9
Beer and Wine Surtax	73.2	72.8	72.3	145.2	71.8	71.6	143.4
Cigarette	1.4	1.4	1.4	2.9	1.5	1.5	2.9
Tobacco Products	81.5	69.8	71.1	140.9	71.7	72.1	143.8
Property (State School Levy)	11.8	12.3	12.8	25.1	13.4	14.0	27.4
Public Utility District	1,018.1	1,074.3	1,167.1	2,241.4	1,285.3	1,388.5	2,673.8
Real Estate Excise	26.1	26.8	28.5	55.3	30.2	32.0	62.2
Timber Excise	235.5	254.4	259.4	513.8	267.4	282.2	549.6
Estate/Inheritance	25.6	28.0	27.3	55.3	26.0	25.9	51.9
Motor Vehicle Excise***	42.2	62.1	50.6	112.7	53.7	57.3	111.0
Boat Excise	414.3	386.1	415.1	801.2	441.3	467.9	909.2
Insurance Premiums	8.6	8.5	8.9	17.4	9.1	9.4	18.6
Other	203.3	172.3	139.5	311.8	146.5	153.0	299.5
Total Taxes	<u>85.5</u>	<u>114.8</u>	<u>99.0</u>	<u>213.8</u>	<u>100.8</u>	<u>106.9</u>	<u>207.7</u>
	8,401.9	8,552.8	8,877.9	17,430.7	9,314.9	9,889.0	19,204.0
State Non-Tax Sources							
Licenses, Permits, Fees	61.8	60.8	57.4	118.2	59.0	61.7	120.8
Liquor Profits and Fees	27.1	27.1	27.5	54.6	24.7	25.7	50.4
Earnings on Investments	74.3	70.4	67.3	137.7	58.9	50.0	108.9
Lottery Transfers	137.3	103.3	118.0	221.3	126.0	127.0	253.0
Other Revenue and Transfers	(151.2)	(233.3)	(204.8)	(438.1)	(240.5)	(250.4)	(490.9)
Total Non-Tax	149.4	28.4	65.3	93.7	28.1	14.0	42.1
Total General Fund-State *	\$8,551.3	\$8,581.1	\$8,943.3	\$17,524.4	\$9,343.1	\$9,903.1	\$19,246.1

A - Actual

P - Preliminary.

* Detail may not add to totals due to rounding.

** Includes General Fund-State portion of the rental car tax in fiscal 1995 and 1996.

*** Includes General Fund-State share of the rental car tax, fiscal 1997 - 1999.

the rental car tax being reported by the Department of Licensing rather than the Department of Revenue. The impact of this administrative change results in a lower forecast of retail sales tax reported by the Department of Revenue exactly offset by a higher motor vehicle excise tax forecast reported by the Department of Licensing. The \$50 million reduction to the retail sales tax due to the reporting change results from a taxpayer reporting tax payments as use tax rather than sales tax. The \$50 million reduction in the sales tax is exactly offset by a \$50 million increase to the use tax forecast. Other major changes to the forecast for the 1997-99 biennium include a \$9.1 million increase to the B&O tax forecast and a \$7.4 million increase to the real estate excise tax forecast.

Department of Licensing

The General Fund-State forecast for taxes collected by the Department of Licensing was increased \$14.2 million for the 1995-97 biennium. The majority of this change, \$9.5 million, is due to an administrative change which shifts the reporting of the rental car tax from the Department of Revenue to the Department of Licensing. The remainder of the change is primarily due to an increase to the motor vehicle excise tax forecast. The increase reflects both higher than expected actual experience and a higher vehicle and value per vehicle forecast. The outlook for the 1997-99 biennium was increased \$29.5 million. Again, the majority of this increase, \$20.4 million, reflects the administrative change in reporting of the rental car tax. The remaining \$9.1 million reflects an improvement in the economic outlook increasing revenue primarily from the motor vehicle excise tax.

Office of Financial Management: Other Agencies

The Office of Financial Management is responsible for forecasting General Fund-State revenue and transfers for all agencies other than the De-

partment of Revenue, the Department of Licensing, the Liquor Control Board, the Insurance Commissioner, the State Treasurer and the Lottery Commission. The 1995-97 the General Fund forecast for these "other agencies" was increased \$9.1 million from June. This was comprised of a \$5.8 million increase due to actual collection experience in fiscal 1996 as well as a \$3.3 million increase to the forecast for fiscal 1997. State revenues for distribution accounted for \$3.3 million of the increase. Higher actual and expected revenue from various fees and licenses make up the remainder of the increase.

The forecast for next biennium was essentially unchanged. There was a small \$235,000 increase to the forecast for fiscal 1998 that was virtually offset by a \$205,000 reduction to the forecast for fiscal 1999.

State Treasurer

The interest earnings forecast was increased by \$6.8 million for the 1995-97 biennium. The increase was a product of an increase of the average daily balance assumption from the June forecast and slightly higher interest rate assumption. The interest earnings forecast was increased \$8.5 million for the 1997-99 biennium. A forecast of higher interest rates in fiscal 1998 combined with a higher average daily balance estimate, boosted the earnings forecast for 1998. For fiscal 1999, although the interest rate forecast was lower than what was assumed in June, earnings were nevertheless above the June forecast, as the impact of lower interest rates was more than offset by a higher average balance estimate. Note, the forecast for interest earnings for the 1995-97 biennium assumes that the June 30, 1995 ending balance for the General Fund and Budget Stabilization Accounts is applied to the July 1, 1995 General Fund beginning balance.

The Lottery Commission

The 1995-97 forecast of lottery transfers to the General Fund was reduced \$4.7 million. This reduction is comprised of an increase of \$3.3 million in fiscal 1996 based on actual transfers and an \$8 million reduction to the forecast of General Fund transfers in fiscal 1997. The reduction for fiscal 1997 reflects continued weaker than expected sales, and higher expenses than anticipated previously. The weaker sales appears to have extended beyond Lotto which has, historically, frequently experienced weaker than expected sales due to relatively small jackpots. The forecast for the 1997-99 biennium has not been changed at this time.

Track Record for the 1995-97 Biennium

The September 1996 forecast of General Fund-State cash receipts for the 1995-97 biennium is \$17,524.4 million. This is \$57.1 million more than the previous forecast prepared in June 1996 and \$328 million, 1.8 percent, higher than the initial forecast for the 1995-97 biennium (excluding legislation) made in February 1994. There have been ten quarterly updates to the forecast for the 1995-97 biennium. There have been five reductions and five increases (including the current change). Table 3.13 summarizes the changes to the 1995-97 General Fund-State forecast.

Track Record for the 1997-99 Biennium

The September 1996 forecast of General Fund-State cash receipts for the 1997-99 biennium is \$19,246 million. This is \$69.2 million above the prior June 1996 forecast and is \$143 million (0.7 percent) above the February 1996 forecast, the initial forecast for the 1997-99 biennium. These revisions exclude changes due to legislation.

The Relationship Between the Cash and GAAP General Fund-State Revenue Forecasts

Legislation enacted in 1987 requires that the state's biennial budget be in conformance with Generally Accepted Accounting Principles (GAAP). This legislation requires that the Forecast Council adopt a cash forecast as well as a forecast of revenue on a GAAP basis. The forecast on a GAAP, or accrual, basis is used in financial reporting and statements of the state's equity position. Revenues are credited to the biennium in which they are earned even though they may not yet have been collected. The cash forecast, on the otherhand, reflects expected cash receipts during a fiscal period. The cash forecast is used for cash flow management and is the basis for triggering the allotment reduction provision of the state's Budget and Accounting Act. The cash forecast is currently the forecast used in the state's budgetary balance sheet, which helps assess the state's General Fund current surplus or deficit position. The primary difference between the cash and GAAP forecasts is timing of the receipt of revenue. References to the General Fund-State forecast in the text of this chapter refer to the cash forecast unless otherwise noted. Likewise, the revenue tables other than Tables 3.9 and 3.11 are on a cash basis.

Table 3.15 compares the cash receipts forecast and the GAAP forecast by agency. Actual revenue for the 1993-95 biennium on a GAAP basis totals \$16,637.7 million, \$73.1 million higher than the cash total of \$16,564.6 million. The June forecast for the 1995-97 biennium on a GAAP basis is \$17,572.5 million, \$48.1 million more than the cash estimate of \$17,524.4 million. The GAAP forecast for the 1997-99 biennium totals \$19,322.6 million, \$76.4 million more than the cash receipts forecast of \$19,246.1 million.

Table 3.16 presents the budgetary balance sheet which summarizes the General Fund-State fore-

Table 3.13

CASH BASIS

Track Record for the 1995-97 General Fund-State Cash Forecast

February 1994 through September 1996

(Millions of Dollars)

Date of Forecast	Department of Revenue*	Other Agencies*	Subtotal*	Total Legislation**	Change	Total General Fund-State Cash Basis
February 1994****	\$16,701	\$1,130	\$17,831			\$17,831
Changes to Forecast						
June 1994	(8)	(1)	(9)	(192) ¹	(201)	17,630
September 1994	114	29	143	0	143	17,774
November 1994	195	(2)	193	1	194	17,968
March 1995	(35)	13	(23)		(23)	17,945
June 1995	(152)	9	(143)	(242) ²	(385)	17,560
September 1995	101	23	124		124	17,684
November 1995	(7)	1	(6)	(10) ³	(15)	17,668
February 1996	(99)	(10)	(109)	(132) ⁴	(242)	17,427
June 1996	110	(10)	100	(60) ⁵	41	17,467
September 1996	33	24	57		57	17,524
Total Change***:						
From February 1994	\$252	\$76	\$328	(\$635)	(\$306)	
Percent Change	1.5%	6.7%	1.8%	-3.6%	-1.7%	

* Excludes legislative, judicial or other major non-economic changes.

** Includes legislative, judicial or other major non-economic changes.

*** Detail may not add to total due to rounding.

****First official forecast for the 1995-97 biennium.

- 1 Change to the forecast due to legislation and budget driven revenue enacted during the 1994 legislative session. Major changes include: enactment of a B&O small business credit; enactment of a high technology credit; expansion of the sales tax deferral and reduction of the B&O surtax enacted in 1993.
- 2 Change to the forecast due to legislation and budget driven revenue enacted during the 1995 legislative session. Major changes include: a sales tax exemption for machinery and equipment purchased by manufacturers, a one-time reduction in the state property tax levy and selected B&O tax rate reductions.
- 3 Change to the forecast due to legislation. This legislative change primarily reflects the General Fund-State impact of the stadium funding package (-\$7.2 million) enacted during the November 1995 special legislative session.
- 4 Change to the forecast due to 1996 legislation effective January 1996. This legislative reduces the B&O tax rate on service activities, increases the B&O job credit for distressed areas and creates a B&O credit for employer provided training in distressed areas.
- 5 Change to the forecast due to 1996 legislation. (Excluding the impact of SSB 6117 which was included in the forecast in Feb. 1996. Major changes include: a sales tax exemption for research and development equipment; a sales tax exemption for repair and replacement of manufacturing equipment; A reduction in the B&O tax rate for nuclear waste clean-up and a sales/use exception for certain solar/wind power generation equipment.

Table 3.14

CASH BASIS

Track Record for the 1997-99 General

Fund-State Cash Forecast

February 1996 through September 1996

(Millions of Dollars)

Date of Forecast	Department of Revenue*	Other Agencies*	Subtotal*	Legislation**	Total Change	Total General Fund-State Cash Basis
February 1996 ****	\$18,046	\$1,153	\$19,199			\$19,199
Changes to Forecast						
June 1996	57	17	74	(96) ¹	(22)	19,177
September 1996	38	31	69		69	19,246
Total Change***:						
From February 1996	\$95	\$48	\$143	(\$96)	\$47	
Percent Change	0.5%	4.2%	0.7%	-0.5%	0.2%	

* Excludes legislative, judicial or other major non-economic changes.

** Includes legislative, judicial or other major non-economic changes.

*** Detail may not add to total due to rounding.

**** First official forecast for the 1997-99 biennium.

1 Change to the forecast due to 1996 legislation. (Excluding the impact of SSB 6117 which was included in the forecast in Feb. 1996. Major changes include: a sales tax exemption for research and development equipment. A sales tax exemption for repair and replacement of manufacturing equipment and a reduction in the B&O tax rate for nuclear waste cleanup and a sales/use exception for certain solar/wind power generation equipment.

Table 3.15
September 1996 Baseline Forecast by Agency
 General Fund - State 1993-95, 1995-97 and 1997-99 Biennia
 Comparison of Cash and GAAP Basis
 (Millions of Dollars)

Agency	1993-95 Biennium			1995-97 Biennium			1997-99 Biennium		
	Cash Basis ¹	GAAP Basis ²	Diff.	Cash Basis ¹	GAAP Basis ²	Diff.	Cash Basis ¹	GAAP Basis ²	Diff.
General Fund - State Cash/Revenue Sources									
Department of Revenue ³	\$15,088.7	\$15,169.7	\$81.0	\$16,271.6	\$16,324.6	\$53.1	\$17,955.1	\$18,036.1	\$81.0
Department of Licensing	848.0	847.9	(0.2)	846.3	840.2	(6.1)	958.2	951.5	(6.7)
Insurance Commissioner ⁴	351.9	351.9	0.0	317.5	317.5	0.0	305.3	305.3	0.0
State Treasurer	159.6	159.3	(0.3)	137.7	136.8	(0.9)	108.9	107.7	(1.1)
Office of Financial Management									
Tuition	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other agencies	122.9	125.1	2.3	134.1	135.0	1.0	129.4	132.7	3.2
Subtotal: General Fund-State Cash/Revenue*	16,571.1	16,654.0	82.9	17,707.2	17,754.2	47.0	19,457.0	19,533.4	76.4
General Fund State - Other Financing Sources⁵									
Department of Revenue ⁶	84.3	90.3	6.1	89.3	89.3	0.0	91.7	91.7	0.0
Lottery Commission	248.1	232.0	(16.1)	221.3	222.4	1.1	253.0	253.0	0.0
Insurance Commissioner ⁷	(4.7)	(4.7)	0.0	(5.7)	(5.7)	0.0	(5.9)	(5.9)	0.0
Liquor control Board	58.0	58.2	0.3	57.4	57.5	0.0	53.4	53.4	(0.0)
Office of Financial Mangement									
Other Agencies ⁸	(392.2)	(392.1)	0.0	(545.0)	(545.0)	0.0	(603.0)	(603.0)	0.0
Subtotal: GFS Other Financing Sources*	(6.5)	(16.3)	(9.8)	(182.7)	(181.6)	1.1	(210.8)	(210.8)	(0.0)
Total Available Receipts/Resources									
General Fund-State *	\$16,564.6	\$16,637.7	\$73.1	\$17,524.4	\$17,572.5	\$48.1	\$19,246.1	\$19,322.6	\$76.4

* Detail may not add due to rounding.

1 General Fund-State cash receipts forecast.

2 General Fund-State Revenue Forecast on a GAAP (Generally accepted accounting principles) basis, used to show the state revenue position for financial reporting purposes.

3 Excludes the state share of the timber tax and unclaimed property transfers.

4 Total insurance premiums tax.

5 Other financing sources represent transfers to/from other funds from/to the General Fund.

6 Includes the state share of the timber excise tax and unclaimed property transfers.

7 Forty percent of fire insurance premiums.

8 Agency 701 and accounting sources: 480 and 481 for all other agencies.

TABLE 3.16

Resources, Expenditures and Reserves

General Fund-State; September 1996
(Millions of Dollars)

Budgetary Balance Sheet**1995-97 Biennium**

Unrestricted Beginning Balance	\$558.9
June 1996 Forecast	17,467.3
September 1996 Forecast Change	57.1
Total Available Resources	18,083.3
Expenditures/Appropriations	
1995-97 Appropriations	17,612.8
Fiscal 1996 Reversions	(30.2)
Total Appropriations	17,582.6
Balances/Reserves	
Estimated Ending Fund Balance (Deficit)	\$500.7

Source: House and Senate Fiscal Committees and the Office of Financial Management.

TABLE 3.17

Higher Education and Operating Fee Forecast

September 1996 Compared to the June 1996 Forecast

Cash and GAAP Forecast

(Millions of Dollars)

	June 1996 Forecast	Legislative Change	Forecast Change	September 1996 Forecast	Total Change
1991-93 Biennium	\$214.2	\$0.0	\$0.0	\$214.2	0.0
Fiscal 1994	263.5	0.0	0.0	263.5	0.0
Fiscal 1995	313.2	0.0	0.0	313.2	0.0
1993-95 Biennium	\$576.6	\$0.0	\$0.0	\$576.6	\$0.0
Fiscal 1996	316.7	0.0	2.5	319.2	\$2.5
Fiscal 1997	336.9	0.0	-2.0	334.9	(\$2.0)
1995-97 Biennium	653.6	\$0.0	\$0.4	654.0	\$0.4
Fiscal 1998	335.1	0.0	0.0	335.1	\$0.0
Fiscal 1999	346.6	0.0	0.0	346.6	\$0.0
1997-99 Biennium	\$681.7	0.0	0.0	\$681.7	\$0.0

Forecast by Institution (Thousands of Dollars)

	Fiscal 1996	Fiscal 1997	Fiscal 1998	Fiscal 1999
University of Washington	\$101,342	\$107,559	107,173	112,402
Washington State University	52,822	55,671	56,679	59,146
Eastern Washington University	16,669	16,237	18,512	18,964
Central Washington University	15,517	16,417	15,316	15,387
Western Washington University	20,314	21,100	20,536	21,091
The Evergreen State College	10,766	10,876	10,873	11,168
Community Colleges	101,720	107,027	106,023	108,428
Total Tuition and Fees	\$319,150	\$334,887	\$335,111	\$346,587

*Beginning July 1, 1992, tuition and fees collected by institutions of higher education are deposited into the operating account of each institution and are not part of the General Fund. This table shows only the tuition forecast since this change. Prior to July 1992 the tuition and fee forecast is included in the General Fund-State total shown elsewhere in this chapter.

cast of expected receipts and expenditures and when combined with the biennium's beginning undesignated fund balance, yields a projected ending balance for the 1995-97 biennium based on the September 1996 outlook. The estimated ending fund balance based on the September forecast and updated expenditure projections, 1995-97 appropriations adjusted for fiscal 1996 (preliminary) reversions, is \$500.7 million.

Tuition Forecast

Legislation enacted during the 1992 legislative session removed higher education tuition and operating fees collected by the state's colleges and universities from the General Fund. Instead, tuition and fee revenue are deposited into the operating fund of each institution of higher education. This change became effective July 1992. The legislation enacting this transfer requires that the Forecast Council staff continue to review the tuition forecast and that the tuition forecast must be approved by the Forecast Council as part of the quarterly forecast review process. Table 3.17 shows the September 1996 tuition revenue for fiscal 1993 and beyond. The tuition numbers for fiscal 1992 and earlier years are included in the General Fund-State totals shown in other tables in this chapter. Data through fiscal 1996 reflect actual collections. The September 1996 tuition and fee forecast for the 1995-97 biennium was increased \$0.4 million. Fiscal 1996 was increased \$2.5 million, reflecting actual collection experience in the second quarter of 1996. The forecast for fiscal 1997 was reduced \$2 million and reflects updated actual enrollment data and various mix factors such as in-state/out-of-state, graduate/undergraduate mixes and other factors affecting tuition receipts. The forecast for the 1997-99 biennium totals \$681.7 million. This is unchanged from June. The enrollment assumptions for the 1997-99 biennium are from the Higher Education Coordinating Board's master plan. Tuition rates are assumed to increase 2.5 percent in fiscal 1998 and 2.9 percent in fiscal 1999.

Alternative Forecasts

The baseline forecast assumes that the national expansion continues and that Washington continues to grow along with the U.S. economy. The possibility of either a recession or better than expected growth is always present to some degree. The alternative forecasts for the 1995-97 and the 1997-99 biennia address these possibilities. The optimistic forecast assumes that the capacity of the national economy to grow without inflation is understated in the baseline scenario. In the optimistic scenario, both consumer and business confidence improves from their currently high levels, resulting in an acceleration of growth in consumption and investment spending. Employment and income growth is stronger than assumed in the baseline and productivity increases enable strong growth to occur without inflation, and thus, without intervention by the Federal Reserve. With the stronger national economy, Washington's economic growth is higher than the baseline for the current biennium. By the end of fiscal 1997 state personal income is 1.7 percent above the baseline estimate and wage and salary employment is 14,600 higher than the baseline. By the end of the 1997-99 biennium state employment is 2.7 percent above the baseline forecast and state income is 4.9 percent higher.

The pessimistic alternative assumes a recession in 1997. Rising prices and weakening consumer confidence trigger a recession in early 1997. Rising prices in the last half of 1996 lead to a more aggressive response by the Federal Reserve than assumed in the baseline. This causes interest rates to begin increasing in the fourth quarter of 1996. Consumer confidence falls as interest rates rise, demand for interest sensitive durable goods decline followed by a reduction in overall spending. In this scenario, real GDP declines for two quarters, beginning in the first quarter of 1997, with a peak to trough decline of 2.2 percent. Washington's economy slows in response to the weakening national economy. Aerospace growth

TABLE 3.18

CASH BASIS

September' 1996 Alternative Forecasts Compared to the Sept. 1996 Baseline Forecast
 1995-97 Biennium
 (Millions of Dollars)

Forecast by Source	Optimistic Forecast	Baseline Forecast	Pessimistic Forecast
Department of Revenue			
Retail Sales	\$8,594.1	\$8,520.9	\$8,431.1
Business and Occupation Use	3,294.1	3,272.6	3,241.9
Public Utility	614.6	609.5	603.3
Property (School Levy)	393.9	390.9	390.2
Real Estate Excise	2,299.8	2,241.4	2,194.7
Other	526.9	513.8	497.8
Subtotal	828.1	811.7	795.8
	16,551.5	16,360.8	16,154.8
Department of Licensing	857.2	846.3	807.2
Insurance Commissioner ¹	321.8	311.8	306.0
Lottery Commission	257.6	221.3	190.4
State Treasurer - Interest Earnings	153.4	137.7	116.9
Liquor Profits and Fees ²	71.2	57.4	55.4
Office of Financial Management			
Other Agencies	(413.8)	(410.9)	(426.2)
Total General Fund - State [*]	\$17,799.0	\$17,524.4	\$17,204.7
Difference from the September 1996 Baseline	\$274.6		(\$319.8)

1 Insurance premiums, General Fund-State portion.

2 Includes beer and wine surtax.

* Detail may not add to total due to rounding.

TABLE 3.19

CASH BASIS

September' 1996 Alternative Forecasts Compared to the Sept. 1996 Baseline Forecast
 1997-99 Biennium
 (Millions of Dollars)

Forecast by Source	Optimistic Forecast	Baseline Forecast	Pessimistic Forecast
Department of Revenue			
Retail Sales	\$9,764.4	\$9,315.1	\$8,891.9
Business and Occupation Use	3,694.3	3,558.5	3,431.9
Public Utility	727.8	696.6	674.5
Property (School Levy)	454.3	432.9	429.2
Real Estate Excise	2,807.5	2,673.8	2,566.8
Other	629.0	549.6	462.7
Subtotal	854.0	820.3	787.1
	18,931.2	18,046.7	17,244.0
Department of Licensing	987.0	958.2	929.5
Insurance Commissioner ¹	306.9	299.5	292.0
Lottery Commission	291.0	253.0	215.1
State Treasurer - Interest earnings	147.9	108.9	75.8
Liquor Profits and Fees ²	54.7	53.4	52.0
Office of Financial Management			
Other Agencies	(464.1)	(473.5)	(483.0)
Total General Fund - State [*]	\$20,254.7	\$19,246.1	\$18,325.4
Difference from the September 1996 Baseline	\$1,008.5		(\$920.7)

1 Insurance premiums, General Fund-State portion.

2 Includes beer and wine surtax.

* Detail may not add to total due to rounding.

is weaker than the baseline forecast in this scenario, but still shows positive growth. Washington's overall income and employment decline is greater than the U.S. as a whole. In the pessimistic alternative, state personal income is 1.8 percent below the baseline by the end of fiscal 1997 and 3.8 percent less than the baseline by the end of the 1997-99 biennium. Employment is 15,700 less than the baseline by the end of the current biennium and is 45,600 jobs below the baseline by the end of fiscal 1999.

Tables 3.18 and 3.19 show the revenue implications of these alternative scenarios for the 1995-97 and 1997-99 biennia. The optimistic scenario generates \$17,799 million in General Fund-State revenue in 1995-97. This is \$274.6 million more than the baseline forecast. The pessimistic alternative produces only \$17,204.7 million in the 1995-97 biennium, \$319.8 million less than the baseline forecast. For next biennium, the optimistic alternative forecast generates \$20,254.7 million, \$1,008.5 million more than the September 1996 baseline estimate. The pessimistic scenario produces only \$18,325.4 million, \$920.7 million less than the baseline forecast. In addition to the official optimistic and pessimistic alternatives, another alternative forecast was made in September. This was developed by averaging the forecasts for key economic variables made by members of the Governor's Council of Economic Advisors. The Governor's Economic Council's alternative was similar to the baseline, producing \$15 million more for the General Fund for the 1995-97 biennium and \$44 million more than the baseline in the 1997-99 biennium.

Where We Stand

Introduction

House Bill 2758, passed earlier this year, created the Economic Climate Council, giving it the statutory duty of selecting a set of economic climate benchmarks. These benchmarks were to address four topics: the quality of life, costs of doing business, work force skills and education, and infrastructure. The bill also created an advisory committee to help select the benchmarks. The Advisory Committee met four times before settling on the benchmarks. This office is currently working on drafting a report based on their recommendations.

In addition to the benchmarks, the Advisory Committee recommended that the Council track eight variables to monitor the state's economy: employment growth, growth in high wage industries, per capita income, average annual earnings, growth of average annual earnings, the unemployment rate, foreign exports as a percent of personal income, and net migration. The variables are intended to measure long-term trends and give the benchmarks context. They are yardsticks one might use to measure policy success. This special report discusses what these indicators tell us about the state's economy.

According to these indicators, Washington has one of the nation's stronger economies, although it lags in key areas. On the one hand, Washington's economy is resilient, creates jobs, attracts out-of-staters, and provides residents with a higher than average standard of living. In 1995, for example, Washington ranked 13th in average annual earnings, 18th in per capita income, and 12th in per capita disposable personal income; between 1985-1995 it ranked 7th in employment growth and 4th in net migration; it exports a larger share of production than any other state; it has not had an employment downturn since 1982

(only one state's current expansion is longer). On the other hand, in key areas performance is substandard. Washington's unemployment rate usually ranks in the top ten worse; its economic strength is concentrated in a handful of counties—mainly the Puget Sound counties; over the past 25 years Washington ranks 34th in per capita income growth and 23rd in average annual earnings growth; real per capita income has risen in the past mainly because a larger proportion of Washingtonians are working; finally, Washington has recently slipped in the employment and income rankings, a consequence of the 1992-1995 aerospace downturn.

What follows is a discussion of Washington's rankings.

Annual Employment Growth

Washington's employment growth ranking at a point in time depends on the stage of the aerospace cycle. When aerospace is expanding, Washington usually ranks in the top 10—it ranked 3rd, 4th and 4th in 1988, 1989, and 1990, for example, years in which aerospace was expanding (Chart 4.1). When aerospace is contracting, Washington usually ranks in the lower 20—it ranked 42nd, 40th, and 39th in 1993, 1994, and 1995, years Boeing was restructuring. In the long run, though, say over the course of an aerospace cycle, Washington is a top ten state. It ranked 7th over the course of the latest Boeing cycle (July 1981-January 1990) and 8th for 1971-1995 (two aerospace cycles). Washington's current ranking, as Boeing pushes up production (August 1996), is 11th and climbing.

King County, over the long term, grows at about the state average. Between 1970 and 1995 it grew 3.1 percent annually compared to 3.0 per-

cent for the state and 2.0 percent for the U.S. The fastest growing counties the past 25 years were San Juan (5.5 percent annually), Clark (4.4 percent), Thurston (4.3 percent), Jefferson (3.4 percent) and Benton (3.7 percent). Two counties, Columbia (-1.6 percent) and Garfield (-1.0 percent), contracted.

Is Washington (and the U.S.) creating enough jobs? Over the past 25 years, the U.S. economy created 57 million jobs, growing 2.0 percent a year. During this time, Washington added 1.6 million jobs and grew 3 percent a year. Among the 10 developed countries tracked by the Bureau of Labor Statistics, only Canada (2.16 percent) outgrew the US. Australia (1.71 percent) grew nearly as fast. The seven other economies, Germany (.24 percent), Sweden (.21 percent), Italy (.18 percent), France (.33 percent), Japan (.91 percent), and The United Kingdom (.22 percent), grew at a fraction of the U.S. rate. In fact, during the past 25 years Washington created more jobs than Italy (.89 million), The United Kingdom (1.38 million) and Sweden (.2 million), as many as Germany (1.6 million), and nearly as many as France (1.7 million). Compared to other countries, Washington's capacity for creating jobs is remarkable.

High Wage Employment Growth

Washington creates jobs. But are these high paying "family-wage" or low paying "fast food" jobs? The answer is both, but the data do not allow one to make a detailed breakdown. The best one can do is make inferences by studying whether high paying sectors are growing more than low paying sectors. Table 4.1 sets the stage for this. The first column lists employment changes in growing sectors in Washington at the 2-digit SIC level for 1990-1995; column 2 lists average earnings in these sectors for 1995. The next two columns do the same exercise for sectors losing jobs. Between 1990 and 1995, state employment grew by 205,300—with expanding sectors growing by 267,100 and con-

tracting sectors falling by 61,800. The average wage in the expanding sectors paid \$26,054, and the average wage in contracting sectors paid \$52,327.

Most of the job losses were in manufacturing where earnings were high. Most of the job gains were in the services sector where earnings were lower. If "other transportation equipment" (which is mainly aerospace) is excluded, employment in declining sectors fell by 26,243—with the average wage paying \$25,643.

Compared with other states Washington ranked 26th in creating high wage jobs in high-wage sectors in 1989 and 43rd in 1995. With Boeing expanding employment in 1996, Washington's rankings should improve considerably in 1996 and 1997.

Per Capita Income and Average Earnings Per Job

In 1995 Washington had a per capita personal income (PCPI) of \$23,774. This was 2.4 percent higher than the U.S.'s, ranking 18th among the states. Over the past 5 years Washington ranks 15th in PCPI, and over the past 25 years Washington's average ranking is 15. Its ranking has thus fallen in recent years (Chart 4.2).

Washington is an above average PCPI state mainly because the average job pays more than the national average. The average job in Washington paid \$29,163 in 1995, or 0.9 percent above that of the U.S. Washington ranked 13th in 1995 in earnings per job, 13th, again, between 1991-1995, and its average ranking between 1970-1994 is 12.25. Its relative position, thus, is almost unchanged in 25 years.

Washington's high ranking obscures the fact that only three counties—King, San Juan, and Benton—had a higher per capita income than the U.S. in 1994, the last year data is available by county. This contrasts with 1969 when 8 coun-

ties had higher PCPI's than the U.S., and 1976 when 18 counties were above the U.S. Furthermore, only three counties, King, Snohomish and Benton, had a higher average earnings per job than in the U.S. In 1969, 11 counties, and in 1976, 16 counties had higher earnings per job than the U.S.

Why has Washington slipped in the PCPI rankings recently? Table 4.2 gives some clues, breaking down PCPI into its three main components, job earnings, transfer payments, and dividends, interest and rent. All three components contributed to 1995's weak performance (39th in PCPI growth ranking). Washington ranked 34th, 36th and 45th, respectively, in growth of per capita earnings, transfer payments and dividends, interest and rent.

Breaking per capita earnings further into two parts—growth in the job ratio, and growth in real earnings per job—highlights a fundamental insight. In 1995 Washington ranked 11th in earnings per job growth, but 49th in growth of the job ratio—and over the past 5 years Washington ranked 3rd in earnings per job growth, but 47th in job ratio growth. Washington, thus, is slipping in the PCPI ranks, not so much—as one might suspect—because it is losing high paying jobs—but because it is not creating jobs as fast as the rest of the nation.

This may be a good sign. Washington's weak employment record in recent years is directly related to the aerospace downturn. In previous downturns, both average earnings and the job ratio declined. This time, only the job ratio has fallen. With Boeing adding 10,000 jobs in 1996 and several thousand more in 1997, both earnings and the job ratio should rise in the coming years. Breaking into the top ten PCPI rankings along the way is not out of the question.

Real Annual Earnings Growth

Many economists consider **real** PCPI growth to be the key measure of economic progress. If it is rising (with some qualifications discussed below), living standards are improving; if falling, they are deteriorating. Over the past 25 years real per capita income has risen 1.78 percent a year. Washington ranked 39th in PCPI growth in 1995, 33rd for 1991-1995, 24th for 1985-1995, and 34th for 1970-1995. Real earnings per job during this period increased .33 percent a year. Washington ranked 11th in earnings per job growth in 1995, 3rd for 1991-1995, 12th for 1985-1995, and 23th for 1970-1995.

Real earnings per job growth was concentrated in a few counties, namely King County. Excluding King County, real earnings grew .01 percent annually between 1969-1994, with growth negative in 28 of Washington's 39 counties. The best performing counties were King (.47 percent annual real growth), Pierce (.28 percent), Pend Oreille (.26 percent), Island (.25 percent), and Klickitat (.22 percent). The worst performers were Wahkiakum (-1.70 percent), Columbia (-1.42 percent), Garfield (-1.36 percent), Lincoln (-1.21 percent), and Jefferson (-1.12 percent).

Why the poor 25 year ranking? According to Table 4.2, Washington ranks 49th in transfers per capita growth, 35th in dividends, interest and rent growth, 21st in job ratio growth, and 23rd in earnings per job growth. Transfer payments, and dividends, interest and rent, thus, are key culprits. To a minor extent, so is earnings growth.

Is Washington's low PCPI and earnings growth ranking reason for concern? The jury is still out on this question. The answer hinges on an arcane economic argument: are wages across states converging over time—as economic theory predicts they should? If they are, and the evidence points to convergence, then wages should grow faster in states where wages are low and

slower in states—such as Washington—where wages are high. If convergence is taking place, Washington's ranking in earnings growth, especially in recent years, is more than respectable.

Why are average earnings so much higher in Connecticut and in the Northeast than in Washington? Cost of living differences are likely the main factor, although there are several explanations. Wage differentials reflect at least five things: differences in productivity, the cost of living, the quality of life, hours worked, and industrial structure. Earnings per worker may be higher in Connecticut than in Washington because (1) Workers are more productive in Connecticut, (2) The cost of living is higher in Connecticut, (3) Workers work longer hours in Connecticut, (4) Washington is a much nicer place to live (wages must be higher in unpleasant places to induce workers to move and live there), (5) Connecticut has more higher paying industries. There is evidence that wages in the Northeast are too high. In the past five years, while New York, Connecticut, New Jersey and Massachusetts rank, respectively, 1st, 2nd, 3rd, and 5th in earnings per job, they also rank, respectively, 47th, 50th, 46th, and 48th in job creation.

Is the slow real earnings growth over the past 25 years reason for concern? The jury, again, is still out on this question. The answer depends on whether we are measuring inflation correctly. A number of economists, including the Chairman of the Federal Reserve System, Alan Greenspan, believe the consumer price index, and other prices indexes are flawed and are overestimating inflation by one to one and a half percentage points a year. If they are correct, real earnings, rather than stagnating, have also been increasing by one to one and a half percentage points a year more than reported, a respectable performance by historical standards.

If reported inflation rates are not too far off target, however, then Washington's (and the

U.S.'s) record over the past 25 years is dismal. In this case, increases in the job ratio would account for most of the increase in living standards. This, naturally, would not continue. The job ratio increased from 43.6 percent in 1971 to 57.5 percent in 1995. It is unlikely to increase another 14 percent in the next 25 years. In fact, it may have already peaked. If so, living standards will begin rising at a snail's pace, unless earnings pick up. This scenario, again, applies only if inflation is currently measured correctly.

Unemployment Rate

Washington is a high unemployment state. Historically, its unemployment rate has hovered between 0.5 and 1.5 percent above that of the U.S. Although the gap between the U.S. and Washington is narrowing, Washington's ranking has not changed much since 1978 (when it ranked 5th worst—Chart 4.4). As this report goes to press the state and national unemployment rates are at five year lows of 5.8 and 5.2 percent. Washington's unemployment rate, however, remains 10th highest.

Washington's rate is high mainly because many of its key industries, including agriculture, fishing, food processing, and timber, are highly seasonal. Seasonality results in spells of unemployment that overstate the unemployment rate. Other reasons cited for Washington's high unemployment rate include its high in-migration rate and higher-than-U.S. minimum wage.

Does Washington have an unemployment problem? Unfortunately, there is much about Washington's unemployment we know little about—including its composition (by age, sex, and race)—duration—and the number of underemployed and discouraged workers. Lacking knowledge of these, it is difficult to assess whether things are bad (compared to other states) or not.

Still, it is difficult to reconcile the state's above average unemployment rate with its superior record in creating jobs. Just as puzzling is why, at a time when Washington's and U.S.'s unemployment rates are at five year lows, three counties, Franklin (12.3 percent), Columbia (13.3), and Pend Oreille (12.6) have double digit rates and another 14 counties have rates above 7.5 percent. Many of these counties also have low labor force participation rates indicating that the actual unemployment rate is much higher than reported.

A future special report of this publication will explore many of these issues.

Exports as a Percent of Personal Income

According to data compiled by the Massachusetts Institute for Social and Economic Research (MISER), Washington ranked second in foreign exports as a percent of personal income in 1994 (Vermont ranked first) and first for 1990-1994. The transportation equipment sector (SIC 37), which includes The Boeing Company—the U.S.'s largest exporting company—and PAC-CAR, accounts for over half of Washington's exports. Excluding SIC 37, Washington would have ranked 10th in exports as a percent of personal income in 1994 and 5th for 1990-1994.

MISER data for 1995 indicate that Washington's non-aerospace exports increased sharply in 1995. Given that Microsoft will soon be reclassified as a manufacturer (and will thus be included in the MISER database), and aerospace's current expansion, Washington should remain the U.S.'s top foreign exporting state through the end of the decade.

Migration

In-migration is a sign of economic vitality. Out migration is a sign of economic decline. In the past 30 years Washington has experienced both—three waves of in-migration surrounded by

two periods of decline. The latest wave started in 1984, crested in 1990, continues through 1996, despite the 1992-1995 slowdown in Puget Sound's economy, and is forecast to last through 1999.

Washington ranked 11th in 1995 in total net migration (international and national), 7th for 1990-1995, and 4th for 1980-1995. It ranked 10th in net international migration in 1995 and 12th in net domestic migration. According to the Internal Revenue Service's migration database, between 1982-1992 Washington attracted more entrants than leavers from every state except Alabama and Georgia. No other state can make as strong a claim.

Migration is a dynamic process. According to the IRS's database, between 1982-1992 migration added 325,000 to Washington's population. This consisted, however, of 1.589 million residents moving from other states into Washington and 1.246 million Washingtonians leaving.

Why does Washington draw so many? Being close to California is an important factor. Californias, facing difficult times in recent years, has provided Washington with about a quarter of its new residents since 1984. Another factor is Washington's ability to create jobs. Finally, the intangibles—the quality of life, the trees, mountains, and rivers, a slower paced life style, a world class university, and so on, continue to draw people into the state.

Conclusion

The indicators confirm what many suspect. Despite some hard times recently, fundamentally, Washington remains one of the nation's top performers. The state's economy is resilient, creates jobs, attracts out-of-staters, and provides residents a higher than average standard of living. Performance, nonetheless, is uneven. The Seattle metropolitan area, Clark County, and, to a lesser extent, the Tri-Cities metropolitan area

are outperforming the state and the nation. The majority of Washington's counties, particularly the rural ones, however, have fallen and continue to fall behind.

Where Washington Ranks

Chart 4.1

Washington's Employment Growth Rate and Ranking

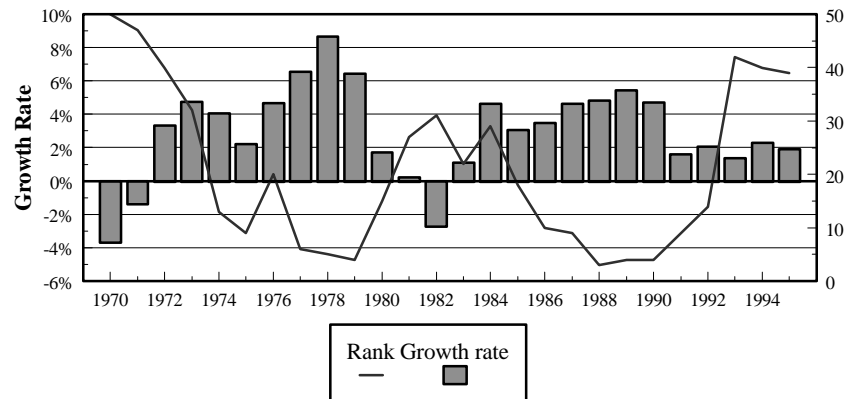


Chart 4.2

Per Capita Income Growth; PCPI Ranking

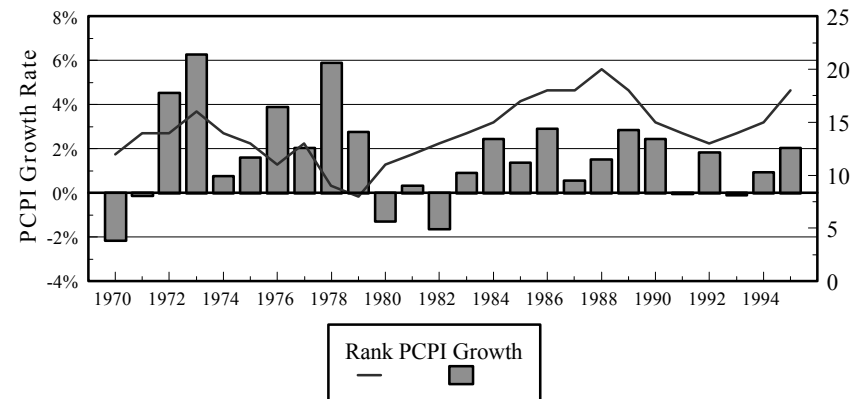


Chart 4.3

Earnings Per Job Growth and Ranking

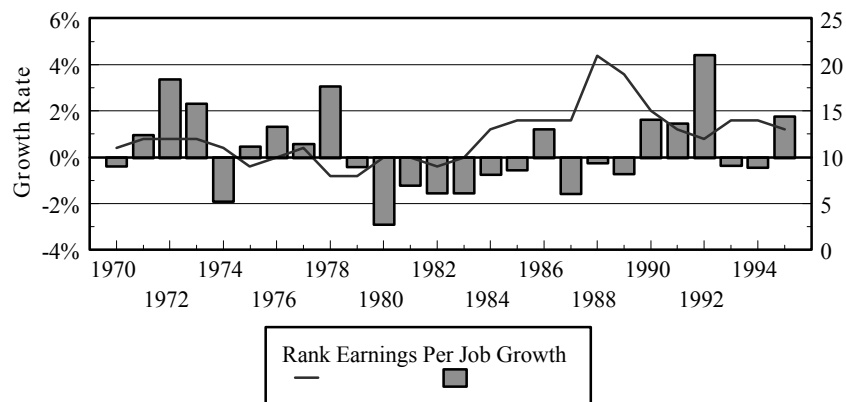


Chart 4.4

Washington's Unemployment Rate and Ranking

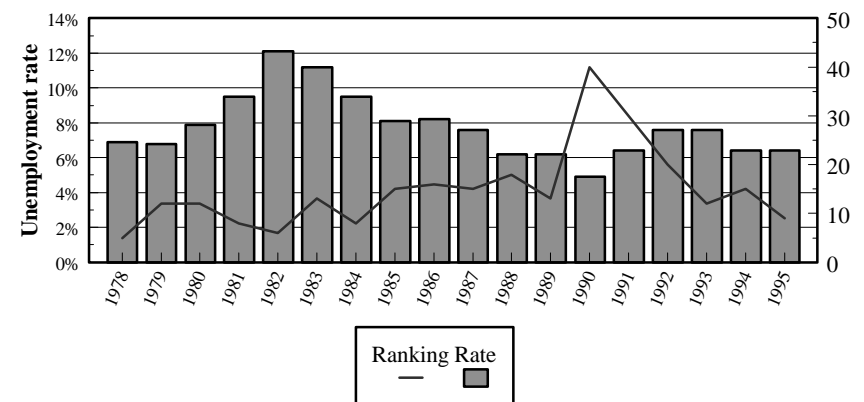


TABLE 4.1
Job Gains and Losses in Washington (1991-1995)

Sectors Gaining Jobs	Job Gains	Average Earnings
Local Government	26,713	\$30,974
Business Services	24,843	\$32,004
Miscellaneous Retail	23,097	\$11,978
Health Services	18,477	\$36,171
Eating and Drinking Places	17,577	\$12,322
Social Services	14,324	\$15,798
Wholesale Trade	13,809	\$36,932
Special Trade Contractors	11,361	\$32,051
Amusement and Recreation Services	10,587	\$14,401
Agricultural Services	6,685	\$15,430
State	6,475	\$31,709
Educational Services	5,584	\$13,872
General Merchandise Stores	5,571	\$18,924
Trucking and Warehousing	5,448	\$30,591
Membership Organizations	5,420	\$19,565
Food Stores	4,782	\$20,755
Food and Kindred Products	4,307	\$32,311
Engineering and Management Services	4,276	\$36,911
Automotive Dealers and Service Stations	3,861	\$28,551
Building Materials and Garden Equipment	3,576	\$24,733
Insurance Agents, Brokers, and Services	3,359	\$29,420
Auto Repair, Services, and Parking	3,238	\$24,400
Electronic and Other Electric Equipment	2,922	\$37,244
Hotels and Other Lodging Places	2,865	\$18,219
Apparel and Other Textile Products	2,802	\$15,690
Miscellaneous Services	2,795	\$21,235
Personal Services	2,629	\$15,209
Printing and Publishing	2,502	\$30,431
Home Furniture and Furnishings Stores	2,457	\$22,643
Motor Vehicles and Equipment	2,389	\$46,684
Miscellaneous Manufacturing Industries	2,331	\$21,855
Industrial Machinery and Equipment	2,140	\$41,128
Fabricated Metal Products	1,815	\$34,853
Transportation Services	1,807	\$28,373
Security and Commodity Brokers	1,631	\$58,026
Rubber and Misc. Plastics Products	1,581	\$31,589
Stone, Clay, and Glass Products	1,504	\$31,003
Legal Services	1,395	\$54,877
Local and InterUrban Passenger Transit	1,318	\$18,656
General Building Contractors	1,135	\$35,500
Heavy Construction Contractors	1,044	\$43,080
Communications	997	\$83,345
Depository and NonDepository Institutions	715	\$36,744
Forestry	656	\$13,200
Chemicals and Allied Products	524	\$66,513
Furniture and Fixtures	522	\$22,927
Water Transportation	405	\$47,626
NonMetallic Minerals, Except Fuels	362	\$37,813
Apparel and Accessory Stores	260	\$18,831
Museums, Botanical, Zoological Gardens	237	\$17,981

TABLE 4.1

Job Gains and Losses in Washington (1991-1995)

Sectors Losing Jobs	Job Losses	Average Earnings
Other Transportation Equipment	-35,532	\$61,905
Holding and Other Investment Offices	-7,407	\$3,729
Military	-5,956	\$23,122
Federal, Civilian	-2,641	\$43,113
Fisheries	-1,887	\$50,813
Lumber and Wood Products	-1,055	\$39,403
Primary Metal Industries	-1,033	\$46,903
Instruments and Related Products	-991	\$52,832
Private Households	-811	\$8,433
Real Estate	-771	\$11,386
Farm Employment	-768	\$15,879
Insurance Carriers	-564	\$43,306
Railroad Transportation	-522	\$54,639
Paper and Allied Products	-389	\$51,675
Miscellaneous Repair Services	-375	\$23,282
Transportation by Air	-256	\$40,493
Mining Residual	-199	\$48,874
Electric, Gas, and Sanitary Services	-169	\$60,902
Nondurable Goods Residual	-111	\$26,956
Petroleum and Coal Products	-108	\$72,202
Oil and Gas Extraction	-96	\$4,185
Motion Pictures	-89	\$17,609
Pipelines, Except Natural Gas	-45	\$61,374

TABLE 4.2

1, 5, 10, and 25 Year Growth Rates of Key Indicators

			Level in 1995		25 Year Growth Rate 1970-1995		10 Year Growth Rate		5 Year Growth Rate		1 Year Growth Rate	
			Ranking		Ranking		Ranking		Ranking		Ranking	
Per Capita Income												
	WA	\$23,77	18		1.78%	34	1.51%	24	0.95%	33	2.06%	39
	U.S.	\$23,208			1.80%		1.28%		0.92%		2.84%	
Earnings Per Capita												
	WA	\$15,822	17		1.36%	18	1.65%	12	0.88%	31	1.84%	34
	U.S.	\$15,303			1.24%		1.13%		0.73%		2.34%	
Transfer Per Capita												
	WA	\$3,878	15		3.44%	49	2.83%	47	4.80%	36	10.86%	36
	U.S.	\$3,893			9.36%		6.64%		7.14%		5.94%	
Dividends, Interest Rent Per Capita												
	WA	\$4,074	17		3.14%	35	2.08%	28	3.28%	24	3.05%	45
	U.S.	\$4,012			2.62%		0.41%		-1.00%		4.13%	
Earnings Per Job												
	WA	\$29,163	13		0.33%	23	0.71%	12	1.36%	3	1.77%	11
	U.S.	\$28,910			0.39%		0.42%		0.53%		1.10%	
Job Ratio												
	WA	57.49%	29		1.11%	21	0.98%	28	-0.46%	47	0.03%	49
	U.S.	56.82%			0.95%		0.78%		0.26%		1.24%	
Employment												
	WA	3,122,034	18		3.00%	8	3.13%	5	1.61%	29	1.68%	39
	U.S.	149,290,100			1.99%		1.79%		1.31%		2.17%	

TABLE 4.3

How Washington Ranks in Seven Key Categories**1995 Per Capita Income**

1	Connecticut	\$31,776
2	New Jersey	\$29,848
3	Massachusetts	\$28,021
4	New York	\$27,678
5	Maryland	\$26,333
6	Delaware	\$26,273
7	New Hampshire	\$25,587
8	Illinois	\$25,225
9	Hawaii	\$24,590
10	Nevada	\$24,390
18	Washington	\$23,774
	United States	\$23,208

**Non Agricultural Job Growth
(1991-1995)**

1	Nevada	4.91%
2	Utah	4.65%
3	Idaho	4.38%
4	Colorado	3.87%
5	Arizona	3.75%
6	South Dakota	3.58%
7	New Mexico	3.51%
8	Montana	3.35%
9	Arkansas	2.96%
10	Mississippi	2.80%
29	Washington	1.85%
	United States	1.38%

**Exports as a Percent of Personal Income
(1990-1994)**

1	Vermont	25.5%
2	Washington	21.7%
3	Louisiana	20.5%
4	Alaska	18.6%
5	Texas	16.5%
6	Michigan	13.5%
7	Arizona	11.6%
8	California	11.6%
9	Oregon	11.5%
10	Delaware	10.9%
	United States	13.2%

**Migration Rate
(1991-1995)**

1	Nevada	3.8%
2	Arizona	2.5%
3	Idaho	1.7%
4	Colorado	1.5%
5	Oregon	1.3%
6	Georgia	1.2%
7	Florida	1.2%
8	Montana	1.2%
9	North Carolina	1.2%
10	Tennessee	1.1%
11	Washington	1.0%
	United States	0.3%

**Earnings Per Job
(1995)**

1	New York	\$36,613
2	Connecticut	\$35,647
3	New Jersey	\$35,487
4	Massachusetts	\$33,152
5	Delaware	\$32,353
6	California	\$31,803
7	Michigan	\$31,797
8	Alaska	\$31,603
9	Illinois	\$31,463
10	Maryland	\$29,590
11	Washington	\$29,163
	United States	\$28,910

**Unemployment Rate
(1995)**

1	Nebraska	2.6
2	South Dakota	2.9
3	North Dakota	3.3
4	Iowa	3.5
5	Utah	3.6
6	Minnesota	3.7
7	Wisconsin	3.7
8	New Hampshire	4.0
9	Colorado	4.2
10	Vermont	4.2
45	Washington	6.4
	United States	6.0

Washington Annual Personal Income, 1969-1995

The tables that follow contain annual Washington State personal income data for 1969 to 1995 as released by the U.S. Department of Commerce, Bureau of Economic Analysis in September 1996 and as reported in the October 1996 issue of the Survey of Current Business. This annual revision is also a comprehensive revision which is undertaken every five years. In addition to incorporating data that have become available since the last annual revision, the comprehensive revision incorporates the comprehensive revision of the national income and product accounts and certain methodological changes involving the introduction of new source data and improved estimating methods. The state personal income estimates have been revised back to 1969 and are no longer consistent with estimates for prior years. A detailed discussion of the sources of the revisions to the state personal income estimates can be found in the October 1996 Survey of Current business.

Table 5.1 contains income by place of residence, derivation of personal income, earnings by place of work, and earnings by industry. The population estimates are the midyear population estimates of the Bureau of the Census rather than the estimates of the Washington State Office of Financial Management which are used elsewhere in this publication. Table 5.2 contains detailed estimates of wage and salary disbursements by industry.

1995 Annual Personal Income

Table 5.3 illustrates the impact of the revision on Washingtons annual personal income in 1995 in comparison to the revision for the sum of the fifty states plus the District of Columbia. The column to the far right indicates the revision to each component as a percentage of total personal

income. The revisions expressed in this manner sum to the percentage revision to total personal income. Nearly all states, including Washington, experienced an upward revision in personal income in 1995. The upward revision in Washington personal income, however, was only 0.16 percent, far less than the 1.43 percent increase for the fifty states and the District of Columbia. As a result, Washingtons 1995 per capita income, which in July was estimated to be 3.74 percent higher than the average of the states, dropped with the September revision to 2.44 percent higher. Part of the explanation for Washingtons below average upward revision is in wage and salary disbursements. While an upward revision in the estimate for wages and salaries for all states added 0.08 percent to personal income, the downward revision in Washington reduced the estimate for personal income by 0.31 percent. More important, however, were the differences in the nonwage sources of personal income which added 1.36 percent to the average states personal income but only 0.48 percent to Washington personal income.

The most important source of the discrepancy between the U.S. and Washington revisions was in proprietors income. Both farm and nonfarm proprietors income were revised down for both Washington and the sum of the states, but Washingtons reductions were larger. A huge reduction in the estimate for Washingtons farm proprietors income reduced personal income by 0.66 percent compared to the average states 0.18 percent reduction while the reduction in the estimate for nonfarm personal income cost Washington 0.41 percent of personal income versus a 0.12 reduction for all states. Personal contributions for social insurance, which are deductions from personal income, were revised up sharply in Washington which had the effect of lowering the

personal income estimate by 0.51 percent. For the sum of the states, however, a small reduction in the estimate for personal contribution for social insurance added 0.05 percent to personal income.

Transfer payments was the one area where Washington gained in personal income relative to the other states. A large upward revision to the estimates for transfer payments other than state U.I. benefits added 0.40 percent to Washington personal income but only 0.06 percent to the sum of the estimates for all states. The revisions to the estimates for state U.I. benefits were small for Washington as well as for the sum of the states. The revisions to the other components of Washington personal income other labor income; residence adjustment; and dividends, interest, and rent were in line with the revisions to the sum of the states estimates.

Historical Perspective

Because the latest revision to the state personal income estimates incorporates new source data series and improved estimating methods, the revisions affect the entire history, not just the recent estimates. Chart 5.1 shows the revisions to the personal income estimates from 1969 to 1995. Charts 5.2 to 5.12 illustrate the affect of the revisions to the components of personal income on total personal income. In general the personal income estimates have been revised up. In recent years, however, the upward revision to Washington personal income has been less than the average of the states and in three years 1985, 1986, and 1987 the Washington personal income estimates were revised down.

Table 5.4 shows that the effect of the September revision on the growth of Washington personal income depends on the interval chosen. For the most recent year, 1995, the revision lowers Washington real per capita income growth to 2.05 percent from 2.87, a reduction of 0.79 percent. The corresponding reduction for all states

was only 0.17 percent, from 3.02 percent to 2.84 percent. Washingtons real per capita income growth over the last five years was also reduced more than the U.S. total, but by a smaller margin. According to the revised estimates, Washingtons real per capita income growth since 1990 averaged 0.95 percent per year, barely higher than the U.S. average rate of 0.92 percent. Washingtons average real per capita income growth rate since 1986, however, was revised up while the sum of the states growth rate was lowered. Washingtons average real per capita income growth over this period now exceeds the U.S. rate by a margin of 1.35 percent to 1.18 percent. Over the longer term, the revision to the state personal income estimates makes very little difference for Washington or the sum of the states. Average U.S. real per capita income growth has been revised up from 1.75 percent to 1.78 percent while Washingtons real growth rate was lowered from 1.64 percent to 1.63 percent.

TABLE 5.4
Real Per Capita Personal Income Growth
Average Annual Rates of Change
1992 Chained Dollars

	1994-95	1990-95	1986-95	1969-95
United States				
September 1996	2.84	0.92	1.18	1.78
July 1996	3.02	1.14	1.20	1.75
Revision	-0.17	-0.22	-0.01	0.03
Washington State				
September 1996	2.05	0.95	1.35	1.63
July 1996	2.87	1.25	1.25	1.64
Revision	-0.79	-0.29	0.09	-0.01

Charts 5.13 and 5.14 illustrate the effect of the September revision on Washingtons per capita income relative the average for all states. In the earlier years, through the seventies, the relationship is essentially unchanged. Washingtons personal income during this period was generally higher than the U.S. average except during the Boeing slump years in the early seventies. During the middle and late eighties, though, Washingtons per capita income now appears to be very close to the national average rather than higher as in previous releases. Washingtons lead in per capita income returned in the nineties, but the advantage is less than previously believed.

TABLE 5.1

Washington Personal Income by Major Source and Earnings by Industry ¹
 (Dollars in Thousands)

	1969	1970	1971	1972	1973
Income by Place of Residence					
Total Personal Income	13,665,238	14,310,350	15,066,789	16,298,492	18,437,364
Nonfarm Personal Income	13,246,702	13,945,396	14,653,279	15,763,172	17,645,565
Farm Income ²	418,536	364,954	413,510	535,320	791,799
Population (Thousands) ³	3,343	3,417	3,447	3,447	3,477
Per Capita Personal Income (Dollars) ⁴	4,088	4,188	4,371	4,729	5,302
Derivation of Total Personal Income					
Earnings by Place of Work	10,852,185	10,983,013	11,323,512	12,315,706	13,989,822
Less: Personal Contrb. for Social Insurance ⁵	470,647	484,316	520,982	576,073	724,785
Plus: Adjustment for Residence	85,054	67,345	66,230	76,215	93,270
Equals: Net Earnings by Place of Residence	10,466,592	10,566,042	10,868,760	11,815,848	13,358,307
Plus: Dividends, Interest, and Rent ⁷	1,923,832	2,069,182	2,232,887	2,356,214	2,683,566
Plus: Transfer Payments	1,274,814	1,675,126	1,965,142	2,126,430	2,395,491
Earnings by Place of Work					
Wage and Salary Disbursements	9,013,786	9,175,770	9,384,034	10,045,270	11,274,760
Other Labor Income	416,211	445,971	477,859	564,763	654,733
Proprietors' Income ⁸	1,422,188	1,361,272	1,461,619	1,705,673	2,060,329
Farm Proprietors' Income	310,238	242,039	303,419	426,619	657,536
Nonfarm Proprietors' Income	1,111,950	1,119,233	1,158,200	1,279,054	1,402,793
Earnings by Industry					
Farm Earnings	418,536	364,954	413,510	535,320	791,799
Nonfarm Earnings	10,433,649	10,618,059	10,910,002	11,780,386	13,198,023
Private Earnings	8,223,467	8,159,497	8,315,950	9,091,340	10,235,221
Ag. Services, Forestry, Fisheries and Other ⁹	79,190	90,525	94,490	111,784	135,672
Agricultural Services	37,119	36,851	42,358	52,318	57,093
Forestry, Fisheries, and Other ⁹	42,071	53,674	52,132	59,466	78,579
Forestry	11,163	12,884	13,963	17,873	20,816
Fisheries	30,908	40,790	38,169	41,593	57,763
Other ⁹	0	0	0	0	0
Mining	19,044	20,575	20,532	25,795	30,249
Metal Mining	(D)	(D)	(D)	(D)	(D)
Coal Mining	(D)	(D)	(D)	(D)	(D)
Oil and Gas Extraction	3,686	3,359	289	3,922	5,313
Nonmetallic Minerals, Except Fuels	10,905	11,520	12,433	13,475	13,960
Construction	733,784	731,076	783,123	806,204	906,790
General Building Contractors	204,449	205,388	220,101	212,271	261,646
Heavy Construction Contractors	167,303	176,898	195,585	192,071	207,831
Special Trade Contractors	362,032	348,790	367,437	401,862	437,313
Manufacturing	2,797,644	2,520,258	2,338,625	2,599,627	3,010,986
Durable Goods	2,148,114	1,843,903	1,642,223	1,841,755	2,194,734
Lumber and Wood Products	399,734	403,120	440,152	520,304	592,075
Furniture and Fixtures	26,995	26,825	26,682	29,376	33,876
Stone, Clay, and Glass Products	59,988	61,385	61,632	66,836	73,204
Primary Metal Industries	156,012	152,202	157,539	178,073	206,506
Fabricated Metal Products	77,209	76,509	75,854	83,653	97,755
Industrial Machinery and Equipment	115,038	106,924	105,907	124,215	149,553
Electronic and Other Electric Equipment	40,026	40,500	50,586	61,733	72,077
Motor Vehicles and Equipment	20,199	18,537	20,283	23,958	28,608
Other Transportation Equipment	1,229,298	933,017	675,580	721,292	901,338
Instruments and Related Products	5,935	6,434	7,071	7,144	9,535
Miscellaneous Manufacturing Industries	17,280	18,302	20,755	24,968	29,988
Ordnance ¹⁰	400	148	182	203	219
Nondurable Goods	649,530	676,355	696,402	757,872	816,252
Food and Kindred Products	233,887	243,139	252,892	264,830	290,630
Tobacco Products	20	20	20	20	22
Textile Mill Products	4,523	4,749	4,125	4,637	5,159
Apparel and Other Textile Products	28,566	30,747	33,801	39,097	41,524
Paper and Allied Products	193,472	203,743	201,208	224,169	233,240

TABLE 5.1

Washington Personal Income by Major Source and Earnings by Industry ¹ (Dollars in Thousands)

	1969	1970	1971	1972	1973
Printing and Publishing	94,590	95,737	99,841	110,013	122,075
Chemicals and Allied Products	67,457	67,563	67,580	72,138	73,828
Petroleum and Coal Products	14,226	15,845	22,015	24,667	26,678
Rubber and Misc. Plastics Products	10,956	13,005	12,968	16,061	20,035
Leather and Leather Products	1,833	1,807	1,952	2,240	3,061
Transportation and Public Utilities	738,469	786,971	834,140	929,602	1,024,327
Railroad Transportation	118,434	127,593	134,022	142,442	156,978
Trucking and Warehousing	153,387	157,695	174,348	209,046	237,485
Water Transportation	102,025	104,751	95,731	110,961	114,136
Other Transportation	131,431	139,121	149,679	154,015	174,373
Local and Interurban Passenger Transit	25,603	27,054	27,706	27,032	25,951
Transportation by Air	87,440	93,769	101,352	102,701	119,240
Pipelines, Except Natural Gas	600	684	842	955	1,047
Transportation Services	17,788	17,614	19,779	23,327	28,135
Communications	162,195	181,398	197,328	219,229	242,755
Electric, Gas, and Sanitary Services	70,997	76,413	83,032	93,909	98,600
Wholesale Trade	644,592	666,106	681,085	755,165	850,422
Retail Trade	1,210,498	1,234,508	1,307,623	1,418,011	1,577,121
Building Materials and Garden Equipment	75,310	73,248	80,912	93,018	106,131
General Merchandise Stores	203,562	214,337	224,762	239,300	254,142
Food Stores	179,459	189,261	201,686	218,912	236,718
Automotive Dealers and Service Stations	252,602	249,899	264,918	295,919	331,187
Apparel and Accessory Stores	51,514	52,853	56,401	59,551	64,327
Home Furniture and Furnishings Stores	69,557	64,842	66,764	75,147	86,332
Eating and Drinking Places	220,225	232,084	240,788	255,047	298,288
Miscellaneous Retail	158,269	157,984	171,392	181,117	199,996
Finance, Insurance, and Real Estate	536,272	546,515	582,024	622,022	663,430
Depository and Nondepository Institutions	171,200	187,102	196,724	210,448	233,461
Other Finance, Insurance, and Real Estate	365,072	359,413	385,300	411,574	429,969
Security and Commodity Brokers	26,380	23,248	27,505	30,129	26,209
Insurance Carriers	111,193	122,566	127,873	138,316	154,386
Insurance Agents, Brokers, and Services	66,911	71,454	77,175	85,739	91,516
Real Estate	145,257	126,521	134,736	138,510	144,191
Combined Real Estate, Insurance, Etc. ¹¹	7,481	7,737	8,979	8,069	7,134
Holding and Other Investment offices	7,850	7,887	9,032	10,811	6,533
Services	1,463,974	1,562,963	1,674,308	1,823,130	2,036,224
Hotels and Other Lodging Places	60,676	64,606	67,014	68,532	73,721
Personal Services	122,739	123,390	121,115	126,751	134,357
Private Households	49,936	50,403	50,726	51,433	53,285
Business Services	179,395	191,576	190,778	211,561	234,851
Auto Repair, Services, and Parking	78,818	77,726	88,171	99,612	112,930
Miscellaneous Repair Services	42,196	39,546	42,700	49,404	53,634
Amusement and Recreation Services	33,650	35,431	36,408	42,844	50,495
Motion Pictures	9,535	9,995	10,657	10,357	11,019
Health Services	461,423	512,126	552,903	604,852	667,938
Legal Services	73,487	83,648	90,055	99,007	117,703
Educational Services	52,317	57,063	68,668	80,845	91,184
Social Services ¹²	(N)	(N)	(N)	(N)	(N)
Museums, Botanical, Zoological Gardens	307	352	523	381	474
Membership Organizations	151,230	162,535	174,196	181,859	192,839
Engineering and Management Services ¹³	(N)	(N)	(N)	(N)	(N)
Miscellaneous Services	148,265	154,566	180,394	195,692	241,794
Government and Government Enterprises	2,210,182	2,458,562	2,594,052	2,689,046	2,962,802
Federal, Civilian	531,827	585,207	610,843	653,375	700,602
Military	431,432	447,233	431,804	371,075	441,186
State and Local	1,246,923	1,426,122	1,551,405	1,664,596	1,821,014
State	(N)	(N)	(N)	(N)	(N)
Local	(N)	(N)	(N)	(N)	(N)

See Footnotes at end of Table

TABLE 5.1

Washington Personal Income by Major Source and Earnings by Industry ¹ (Dollars in Thousands)

	1974	1975	1976	1977	1978
Income by Place of Residence					
Total Personal Income	20,886,226	23,400,244	26,199,849	29,138,278	34,111,550
Nonfarm Personal Income	19,964,490	22,458,230	25,422,083	28,509,256	33,312,448
Farm Income ²	921,736	942,014	777,766	629,022	799,102
Population (Thousands) ³	3,548	3,619	3,691	3,772	3,886
Per Capita Personal Income (Dollars) ⁴	5,887	6,466	7,099	7,724	8,778
Derivation of Total Personal Income					
Earnings by Place of Work	15,736,861	17,483,427	19,628,697	21,970,089	25,943,393
Less: Personal Contrb. for Social Insurance ⁵	870,241	983,112	1,073,785	1,174,231	1,384,580
Plus: Adjustment for Residence	136,894	205,466	255,452	234,779	277,543
Equals: Net Earnings by Place of Residence	15,003,514	16,705,781	18,810,364	21,030,637	24,836,356
Plus: Dividends, Interest, and Rent ⁷	3,045,845	3,222,675	3,587,938	4,045,038	4,836,938
Plus: Transfer Payments	2,836,867	3,471,788	3,801,547	4,062,603	4,438,256
Earnings by Place of Work					
Wage and Salary Disbursements	12,621,812	14,017,532	15,767,930	17,803,231	20,886,702
Other Labor Income	788,596	977,263	1,185,221	1,442,926	1,762,103
Proprietors' Income ⁸	2,326,453	2,488,632	2,675,546	2,723,932	3,294,588
Farm Proprietors' Income	758,622	744,585	520,695	403,631	553,105
Nonfarm Proprietors' Income	1,567,831	1,744,047	2,154,851	2,320,301	2,741,483
Earnings by Industry					
Farm Earnings	921,736	942,014	777,766	629,022	799,102
Nonfarm Earnings	14,815,125	16,541,413	18,850,931	21,341,067	25,144,291
Private Earnings	11,507,598	12,873,843	14,882,562	17,044,876	20,414,316
Ag. Services, Forestry, Fisheries and Other ⁹	158,069	154,783	219,144	215,756	302,342
Agricultural Services	65,558	72,904	84,878	88,356	111,874
Forestry, Fisheries, and Other ⁹	92,511	81,879	134,266	127,400	190,468
Forestry	24,446	23,652	28,429	17,160	19,573
Fisheries	68,065	58,227	105,837	110,240	170,895
Other ⁹	0	0	0	0	0
Mining	44,488	54,981	71,875	87,132	89,124
Metal Mining	(D)	(D)	(D)	(D)	(D)
Coal Mining	(D)	(D)	(D)	(D)	(D)
Oil and Gas Extraction	13,707	20,715	33,404	36,449	22,629
Nonmetallic Minerals, Except Fuels	15,557	15,729	18,608	22,879	31,647
Construction	991,487	1,194,140	1,512,416	1,795,793	2,331,181
General Building Contractors	290,458	325,645	471,254	579,099	767,287
Heavy Construction Contractors	207,250	268,206	318,057	373,054	452,356
Special Trade Contractors	493,779	600,289	723,105	843,640	1,111,538
Manufacturing	3,428,488	3,732,991	4,131,249	4,755,859	5,680,032
Durable Goods	2,509,493	2,729,369	2,972,598	3,393,976	4,195,015
Lumber and Wood Products	626,357	656,155	810,218	949,813	1,099,452
Furniture and Fixtures	37,098	29,141	33,998	37,949	40,022
Stone, Clay, and Glass Products	79,948	89,995	102,901	117,685	139,125
Primary Metal Industries	252,211	262,487	288,312	322,928	388,343
Fabricated Metal Products	119,110	182,223	187,103	184,140	218,129
Industrial Machinery and Equipment	171,478	183,206	196,171	219,794	256,614
Electronic and Other Electric Equipment	84,158	79,174	86,458	106,747	129,890
Motor Vehicles and Equipment	30,309	27,433	31,862	39,844	46,328
Other Transportation Equipment	1,064,113	1,156,368	1,159,210	1,322,336	1,759,712
Instruments and Related Products	11,612	26,795	33,186	42,561	56,297
Miscellaneous Manufacturing Industries	32,922	36,392	43,179	50,179	61,103
Ordnance ^{10/}	177	(N)	(N)	(N)	(N)
Nondurable Goods	918,995	1,003,622	1,158,651	1,361,883	1,485,017
Food and Kindred Products	322,228	355,814	404,288	461,972	513,145
Tobacco Products	33	22	22	91	140
Textile Mill Products	5,518	5,858	6,840	8,343	10,146
Apparel and Other Textile Products	47,244	49,543	60,869	67,372	74,459
Paper and Allied Products	258,521	269,858	321,180	363,225	328,805

TABLE 5.1

Washington Personal Income by Major Source and Earnings by Industry ¹ (Dollars in Thousands)

	1974	1975	1976	1977	1978
Printing and Publishing	134,453	146,679	162,629	221,011	271,891
Chemicals and Allied Products	88,041	102,878	118,963	143,780	168,889
Petroleum and Coal Products	35,765	43,489	49,092	54,367	62,689
Rubber and Misc. Plastics Products	23,780	26,789	31,738	38,061	51,161
Leather and Leather Products	3,412	2,692	3,030	3,661	3,692
Transportation and Public Utilities	1,123,875	1,226,005	1,423,129	1,564,770	1,811,308
Railroad Transportation	167,592	165,430	184,580	196,848	218,199
Trucking and Warehousing	257,175	272,279	332,881	375,842	435,542
Water Transportation	112,149	127,831	144,188	144,756	171,932
Other Transportation	205,437	229,386	273,494	313,707	359,231
Local and Interurban Passenger Transit	29,777	29,564	33,090	36,426	39,649
Transportation by Air	134,537	156,208	193,651	215,044	244,232
Pipelines, Except Natural Gas	1,282	1,540	1,577	1,660	1,788
Transportation Services	39,841	42,074	45,176	60,577	73,562
Communications	269,870	293,509	335,220	386,895	461,860
Electric, Gas, and Sanitary Services	111,652	137,570	152,766	146,722	164,544
Wholesale Trade	1,004,551	1,190,591	1,324,270	1,488,639	1,749,625
Retail Trade	1,732,141	1,906,158	2,194,185	2,458,554	2,868,191
Building Materials and Garden Equipment	121,683	109,679	131,236	161,751	205,726
General Merchandise Stores	273,224	220,889	256,430	291,961	322,109
Food Stores	267,675	312,085	350,766	389,168	457,666
Automotive Dealers and Service Stations	344,152	376,274	425,954	461,218	538,024
Apparel and Accessory Stores	70,208	82,010	93,585	110,361	135,718
Home Furniture and Furnishings Stores	92,338	108,778	138,156	158,711	189,990
Eating and Drinking Places	338,382	400,227	465,287	537,077	626,932
Miscellaneous Retail	224,479	296,216	332,771	348,307	392,026
Finance, Insurance, and Real Estate	696,699	764,029	925,940	1,059,185	1,306,491
Depository and Nondepository Institutions	264,027	305,278	351,763	412,089	493,424
Other Finance, Insurance, and Real Estate	432,672	458,751	574,177	647,096	813,067
Security and Commodity Brokers	26,908	35,259	42,708	49,077	64,735
Insurance Carriers	168,794	187,775	209,121	242,244	288,037
Insurance Agents, Brokers, and Services	91,103	103,718	129,385	158,641	177,039
Real Estate	130,640	115,394	182,711	188,027	279,164
Combined Real Estate, Insurance, Etc. ¹¹	7,208	6,907	5,238	7,796	6,081
Holding and Other Investment offices	8,019	9,698	5,014	1,311	-1,989
Services	2,327,800	2,650,165	3,080,354	3,619,188	4,276,022
Hotels and Other Lodging Places	81,755	89,208	110,367	138,116	169,953
Personal Services	148,981	163,991	193,485	206,977	235,604
Private Households	50,560	50,847	59,123	64,690	71,011
Business Services	287,616	400,694	489,589	611,226	747,698
Auto Repair, Services, and Parking	126,981	147,210	170,796	171,537	209,136
Miscellaneous Repair Services	63,989	72,880	86,679	100,508	122,200
Amusement and Recreation Services	59,989	64,417	79,610	107,267	126,997
Motion Pictures	11,993	13,850	17,298	20,257	24,890
Health Services	764,066	897,678	1,030,237	1,187,547	1,360,614
Legal Services	137,428	154,715	166,506	214,654	251,151
Educational Services	97,330	95,013	98,424	105,422	114,910
Social Services ¹²	(N)	55,178	67,751	77,424	92,577
Museums, Botanical, Zoological Gardens	666	849	1,189	1,347	2,615
Membership Organizations	215,438	180,223	213,280	250,244	306,433
Engineering and Management Services ¹³	(N)	(N)	(N)	(N)	(N)
Miscellaneous Services	281,008	263,412	296,020	361,972	440,233
Government and Government Enterprises	3,307,527	3,667,570	3,968,369	4,296,191	4,729,975
Federal, Civilian	808,199	910,862	970,982	1,061,910	1,157,212
Military	517,706	531,744	555,425	567,526	603,908
State and Local	1,981,622	2,224,964	2,441,962	2,666,755	2,968,855
State	(N)	(N)	(N)	(N)	(N)
Local	(N)	(N)	(N)	(N)	(N)

See Footnotes at end of Table

TABLE 5.1

Washington Personal Income by Major Source and Earnings by Industry ¹ (Dollars in Thousands)

	1979	1980	1981	1982	1983
Income by Place of Residence					
Total Personal Income	39,435,961	44,685,567	49,828,227	52,338,474	55,516,793
Nonfarm Personal Income	38,646,387	43,774,219	48,944,813	51,543,452	54,421,883
Farm Income ²	789,574	911,348	883,414	795,022	1,094,910
Population (Thousands) ³	4,013	4,155	4,236	4,277	4,301
Per Capita Personal Income (Dollars) ⁴	9,827	10,755	11,764	12,238	12,909
Derivation of Total Personal Income					
Earnings by Place of Work	29,904,365	32,972,627	35,798,007	36,841,844	38,770,855
Less: Personal Contrb. for Social Insurance ⁵	1,645,321	1,833,998	2,146,964	2,276,092	2,388,903
Plus: Adjustment for Residence	333,867	391,981	451,242	483,420	505,507
Equals: Net Earnings by Place of Residence	28,592,911	31,530,610	34,102,285	35,049,172	36,887,459
Plus: Dividends, Interest, and Rent ⁷	5,847,571	7,081,397	8,688,079	9,374,579	10,136,546
Plus: Transfer Payments	4,995,479	6,073,560	7,037,863	7,914,723	8,492,788
Earnings by Place of Work					
Wage and Salary Disbursements	24,366,844	27,024,065	29,793,494	30,790,068	31,821,604
Other Labor Income	2,039,611	2,339,917	2,616,341	2,824,440	2,988,757
Proprietors' Income ⁸	3,497,910	3,608,645	3,388,172	3,227,336	3,960,494
Farm Proprietors' Income	516,338	621,951	594,602	450,343	760,728
Nonfarm Proprietors' Income	2,981,572	2,986,694	2,793,570	2,776,993	3,199,766
Earnings by Industry					
Farm Earnings	789,574	911,348	883,414	795,022	1,094,910
Nonfarm Earnings	29,114,791	32,061,279	34,914,593	36,046,822	37,675,945
Private Earnings	23,794,616	26,056,339	28,349,858	29,088,910	30,199,826
Ag. Services, Forestry, Fisheries and Other ⁹	352,495	341,284	283,582	271,863	343,823
Agricultural Services	130,271	143,062	161,080	166,979	182,049
Forestry, Fisheries, and Other ⁹	222,224	198,222	122,502	104,884	161,774
Forestry	21,835	27,235	29,509	25,327	47,279
Fisheries	200,389	170,987	92,993	79,557	114,495
Other ⁹	0	0	0	0	0
Mining	108,045	164,232	169,064	157,474	106,645
Metal Mining	(D)	(D)	(D)	(D)	(D)
Coal Mining	(D)	(D)	(D)	(D)	(D)
Oil and Gas Extraction	29,817	74,629	76,337	59,700	21,615
Nonmetallic Minerals, Except Fuels	36,799	38,327	36,378	37,605	36,639
Construction	2,781,853	2,683,706	2,774,184	2,480,499	2,476,421
General Building Contractors	923,064	809,328	703,006	633,454	763,102
Heavy Construction Contractors	576,291	618,643	690,118	612,241	525,837
Special Trade Contractors	1,282,498	1,255,735	1,381,060	1,234,804	1,187,482
Manufacturing	6,759,931	7,557,660	8,186,567	8,325,985	8,152,187
Durable Goods	5,022,527	5,698,856	6,175,172	6,228,495	5,937,717
Lumber and Wood Products	1,188,760	1,128,031	1,103,705	1,007,192	1,124,571
Furniture and Fixtures	26,258	50,110	58,190	53,983	63,434
Stone, Clay, and Glass Products	156,438	158,617	163,358	160,562	165,745
Primary Metal Industries	451,367	495,096	539,397	501,332	477,199
Fabricated Metal Products	245,410	282,188	306,864	268,828	253,307
Industrial Machinery and Equipment	313,344	350,743	385,081	458,136	424,836
Electronic and Other Electric Equipment	169,703	212,965	226,823	244,279	271,659
Motor Vehicles and Equipment	54,200	58,618	64,436	58,948	57,929
Other Transportation Equipment	2,251,538	2,758,438	3,082,660	3,189,121	2,765,036
Instruments and Related Products	94,041	124,983	157,827	202,937	241,042
Miscellaneous Manufacturing Industries ¹⁰	71,468	79,067	86,831	83,177	92,959
Ordnance ¹⁰	(N)	(N)	(N)	(N)	(N)
Nondurable Goods	1,737,404	1,858,804	2,011,395	2,097,490	2,214,470
Food and Kindred Products	565,145	593,440	649,996	680,047	682,785
Tobacco Products	112	154	233	186	182
Textile Mill Products	11,668	11,981	12,903	13,857	16,452
Apparel and Other Textile Products	80,873	75,487	71,347	78,828	86,727
Paper and Allied Products	414,871	484,852	515,582	511,157	540,324

TABLE 5.1

Washington Personal Income by Major Source and Earnings by Industry ¹
(Dollars in Thousands)

	1979	1980	1981	1982	1983
Printing and Publishing	325,442	314,961	322,966	344,371	369,885
Chemicals and Allied Products	200,700	224,408	270,252	302,759	345,511
Petroleum and Coal Products	72,176	80,755	88,689	83,970	83,194
Rubber and Misc. Plastics Products	60,206	65,491	72,212	76,404	83,365
Leather and Leather Products	6,211	7,275	7,215	5,911	6,045
Transportation and Public Utilities	2,091,337	2,309,201	2,504,997	2,627,753	2,751,506
Railroad Transportation	251,259	257,374	254,896	244,609	249,730
Trucking and Warehousing	492,594	519,860	538,631	543,889	579,218
Water Transportation	206,425	230,969	244,431	253,569	282,644
Other Transportation	388,199	436,624	473,885	512,879	575,298
Local and Interurban Passenger Transit	44,864	50,797	54,557	53,105	56,455
Transportation by Air	253,408	285,910	290,293	310,360	344,656
Pipelines, Except Natural Gas	1,920	2,293	2,570	2,661	2,882
Transportation Services	88,007	97,624	126,465	146,753	171,305
Communications	559,245	641,863	738,845	795,004	813,201
Electric, Gas, and Sanitary Services	193,615	222,511	254,309	277,803	251,415
Wholesale Trade	2,048,182	2,216,522	2,416,624	2,503,103	2,544,083
Retail Trade	3,214,222	3,440,813	3,767,813	3,917,318	4,258,826
Building Materials and Garden Equipment	235,060	238,064	255,444	250,853	237,382
General Merchandise Stores	359,650	374,095	406,509	403,470	429,459
Food Stores	525,067	616,490	698,701	748,721	769,809
Automotive Dealers and Service Stations	593,135	591,478	607,601	621,887	694,369
Apparel and Accessory Stores	148,452	165,009	181,364	192,968	221,951
Home Furniture and Furnishings Stores	200,623	203,286	214,989	227,901	287,268
Eating and Drinking Places	710,042	775,515	858,284	909,048	976,348
Miscellaneous Retail	442,193	476,876	544,921	562,470	642,240
Finance, Insurance, and Real Estate	1,511,755	1,640,571	1,789,819	1,847,039	2,072,787
Depository and Nondepository Institutions	566,159	639,442	711,963	781,136	826,788
Other Finance, Insurance, and Real Estate	945,596	1,001,129	1,077,856	1,065,903	1,245,999
Security and Commodity Brokers	77,340	110,357	136,375	171,942	207,774
Insurance Carriers	323,885	370,179	406,932	440,223	472,082
Insurance Agents, Brokers, and Services	199,248	223,216	237,677	269,182	275,318
Real Estate	350,749	294,519	222,724	147,510	234,196
Combined Real Estate, Insurance, Etc. ¹¹	6,908	3,013	1,503	462	467
Holding and Other Investment offices	-12,534	-155	72,645	36,584	56,162
Services	4,926,796	5,702,350	6,457,208	6,957,876	7,493,548
Hotels and Other Lodging Places	190,332	207,778	231,158	232,635	238,679
Personal Services	257,779	284,256	314,425	341,557	388,728
Private Households	69,150	66,221	69,333	72,884	75,507
Business Services	899,667	1,075,777	1,205,288	1,181,440	1,281,546
Auto Repair, Services, and Parking	230,668	235,612	255,712	268,018	316,267
Miscellaneous Repair Services	132,976	162,382	151,304	163,086	200,331
Amusement and Recreation Services	140,622	161,343	180,206	212,711	241,503
Motion Pictures	26,906	30,663	32,226	33,914	38,167
Health Services	1,554,536	1,822,913	2,155,799	2,418,846	2,512,758
Legal Services	302,384	371,320	440,900	547,434	590,990
Educational Services	129,312	151,950	169,756	199,665	218,246
Social Services ¹²	118,228	145,359	162,556	181,766	220,692
Museums, Botanical, Zoological Gardens	2,410	2,672	2,928	3,134	3,502
Membership Organizations	311,872	350,314	369,452	376,182	401,568
Engineering and Management Services ¹³	(N)	(N)	(N)	(N)	(N)
Miscellaneous Services	559,954	633,790	716,165	724,604	765,064
Government and Government Enterprises	5,320,175	6,004,940	6,564,735	6,957,912	7,476,119
Federal, Civilian	1,270,404	1,388,804	1,443,915	1,544,158	1,731,981
Military	624,809	701,229	838,326	966,299	1,015,897
State and Local	3,424,962	3,914,907	4,282,494	4,447,455	4,728,241
State	1,191,670	1,350,299	1,438,140	1,467,953	1,605,950
Local	2,233,292	2,564,608	2,844,354	2,979,502	3,122,291

See Footnotes at end of Table

TABLE 5.1

Washington Personal Income by Major Source and Earnings by Industry ¹ (Dollars in Thousands)

	1984	1985	1986	1987	1988
Income by Place of Residence					
Total Personal Income	59,629,773	63,507,720	68,041,695	72,251,746	78,263,336
Nonfarm Personal Income	58,550,856	62,723,088	66,945,343	71,164,077	77,289,319
Farm Income ²	1,078,917	784,632	1,096,352	1,087,669	974,017
Population (Thousands) ³	4,344	4,401	4,453	4,533	4,641
Per Capita Personal Income (Dollars) ⁴	13,727	14,432	15,279	15,941	16,865
Derivation of Total Personal Income					
Earnings by Place of Work	41,376,545	43,945,436	47,301,889	50,794,282	55,498,344
Less: Personal Contrb. for Social Insurance ⁵	2,572,983	2,866,969	3,142,247	3,359,167	3,787,019
Plus: Adjustment for Residence	561,088	608,877	626,950	675,654	754,171
Equals: Net Earnings by Place of Residence	39,364,650	41,687,344	44,786,592	48,110,769	52,465,496
Plus: Dividends, Interest, and Rent ⁷	11,293,157	12,032,051	12,892,028	13,317,181	14,214,410
Plus: Transfer Payments	8,971,966	9,788,325	10,363,075	10,823,796	11,583,430
Earnings by Place of Work					
Wage and Salary Disbursements	33,651,192	35,798,745	38,336,214	41,164,558	44,663,309
Other Labor Income	3,091,329	3,295,893	3,514,636	3,821,259	4,063,865
Proprietors' Income ⁸	4,634,024	4,850,798	5,451,039	5,808,465	6,771,170
Farm Proprietors' Income	742,726	440,703	771,395	760,252	586,677
Nonfarm Proprietors' Income	3,891,298	4,410,095	4,679,644	5,048,213	6,184,493
Earnings by Industry					
Farm Earnings	1,078,917	784,632	1,096,352	1,087,669	974,017
Nonfarm Earnings	40,297,628	43,160,804	46,205,537	49,706,613	54,524,327
Private Earnings	32,307,968	34,525,029	37,199,022	40,066,076	44,184,340
Ag. Services, Forestry, Fisheries and Other ⁹	338,152	523,706	668,019	766,699	958,254
Agricultural Services	199,092	215,862	222,611	306,805	328,562
Forestry, Fisheries, and Other ⁹	139,060	307,844	445,408	459,894	629,692
Forestry	58,701	53,972	49,183	45,927	39,239
Fisheries	80,359	253,872	396,225	413,967	590,453
Other ⁹	0	0	0	0	0
Mining	126,735	145,284	74,289	96,878	140,160
Metal Mining	(D)	9,975	(D)	(D)	(D)
Coal Mining	(D)	41,226	(D)	(D)	(D)
Oil and Gas Extraction	35,599	53,332	-29,754	-7,766	16,670
Nonmetallic Minerals, Except Fuels	40,484	40,751	43,855	43,071	48,485
Construction	2,742,103	2,824,332	3,172,452	3,322,376	3,710,462
General Building Contractors	935,054	894,124	1,041,529	1,076,371	1,190,908
Heavy Construction Contractors	436,843	459,434	464,923	481,824	485,397
Special Trade Contractors	1,370,206	1,470,774	1,666,000	1,764,181	2,034,157
Manufacturing	8,707,828	9,189,370	10,028,805	10,573,964	11,545,580
Durable Goods	6,361,536	6,693,594	7,432,753	7,845,822	8,604,358
Lumber and Wood Products	1,140,804	1,111,925	1,166,134	1,227,424	1,317,328
Furniture and Fixtures	70,351	71,479	73,835	84,683	98,766
Stone, Clay, and Glass Products	174,703	174,070	174,207	187,364	208,916
Primary Metal Industries	495,220	445,518	421,885	407,809	469,738
Fabricated Metal Products	262,270	255,153	271,018	291,348	324,721
Industrial Machinery and Equipment	443,234	489,855	507,136	486,882	563,310
Electronic and Other Electric Equipment	298,490	330,975	359,751	386,866	335,025
Motor Vehicles and Equipment	64,426	59,861	77,504	145,768	169,217
Other Transportation Equipment	3,029,275	3,353,537	3,959,329	4,181,736	4,540,147
Instruments and Related Products	277,036	304,638	320,208	339,747	453,898
Miscellaneous Manufacturing Industries ¹⁰	105,727	96,583	101,746	106,195	123,292
Ordnance ¹⁰	(N)	(N)	(N)	(N)	(N)
Nondurable Goods	2,346,292	2,495,776	2,596,052	2,728,142	2,941,222
Food and Kindred Products	684,615	705,166	716,845	751,765	796,710
Tobacco Products	280	182	(D)	224	(D)
Textile Mill Products	14,992	18,704	(D)	23,956	24,848
Apparel and Other Textile Products	97,950	98,297	99,300	102,208	105,751
Paper and Allied Products	591,755	623,473	646,008	672,719	689,802

TABLE 5.1

Washington Personal Income by Major Source and Earnings by Industry ¹ (Dollars in Thousands)

	1984	1985	1986	1987	1988
Printing and Publishing	391,588	427,282	466,843	495,370	549,556
Chemicals and Allied Products	378,840	428,110	446,955	463,798	546,316
Petroleum and Coal Products	82,402	91,018	86,027	93,653	92,089
Rubber and Misc. Plastics Products	97,274	97,668	106,448	118,124	128,681
Leather and Leather Products	6,596	5,876	(D)	6,325	(D)
Transportation and Public Utilities	2,941,811	3,086,417	3,268,976	3,504,708	3,771,301
Railroad Transportation	265,789	259,170	260,710	270,393	246,324
Trucking and Warehousing	665,860	693,151	748,355	785,873	849,044
Water Transportation	298,370	305,586	305,899	359,924	370,260
Other Transportation	656,566	704,500	762,829	800,980	857,063
Local and Interurban Passenger Transit	65,128	62,567	67,919	68,906	67,664
Transportation by Air	389,313	416,038	447,235	469,149	520,271
Pipelines, Except Natural Gas	2,907	3,157	3,166	3,338	3,395
Transportation Services	199,218	222,738	244,509	259,587	265,733
Communications	789,673	831,643	859,158	967,140	1,101,564
Electric, Gas, and Sanitary Services	265,553	292,367	332,025	320,398	347,046
Wholesale Trade	2,702,957	2,810,326	2,942,258	3,141,271	3,449,568
Retail Trade	4,520,782	4,904,358	5,039,134	5,236,433	5,606,064
Building Materials and Garden Equipment	281,901	305,509	314,765	323,199	336,327
General Merchandise Stores	442,328	482,516	501,419	532,659	560,014
Food Stores	813,717	841,384	884,203	908,215	976,346
Automotive Dealers and Service Stations	772,507	876,831	849,381	899,004	948,342
Apparel and Accessory Stores	254,101	268,924	276,389	293,577	311,033
Home Furniture and Furnishings Stores	285,677	332,995	359,716	356,394	400,112
Eating and Drinking Places	978,680	1,057,222	1,077,366	1,174,269	1,264,593
Miscellaneous Retail	691,871	738,977	775,895	749,116	809,297
Finance, Insurance, and Real Estate	2,056,029	2,137,191	2,388,693	2,783,337	3,030,884
Depository and Nondepository Institutions	871,526	936,478	1,054,812	1,116,444	1,157,282
Other Finance, Insurance, and Real Estate	1,184,503	1,200,713	1,333,881	1,666,893	1,873,602
Security and Commodity Brokers	195,425	228,605	271,219	296,641	283,994
Insurance Carriers	501,980	539,145	591,739	653,838	702,630
Insurance Agents, Brokers, and Services	287,371	303,004	349,161	402,710	467,546
Real Estate	158,908	61,306	38,567	193,462	358,435
Combined Real Estate, Insurance, Etc. ¹¹	-2,434	-6,671	-9,084	12,194	(N)
Holding and Other Investment offices	43,253	75,324	92,279	108,048	60,997
Services	8,171,571	8,904,045	9,616,396	10,640,410	11,972,067
Hotels and Other Lodging Places	251,808	261,308	264,033	292,865	312,999
Personal Services	437,231	483,436	515,990	526,143	578,413
Private Households	89,736	92,508	99,547	101,211	111,023
Business Services	1,443,931	1,611,120	1,797,751	2,147,679	1,835,134
Auto Repair, Services, and Parking	397,698	467,659	465,645	486,311	514,085
Miscellaneous Repair Services	238,308	215,924	241,129	238,239	254,913
Amusement and Recreation Services	278,280	313,029	322,788	325,159	348,164
Motion Pictures	47,696	46,199	54,873	53,067	91,372
Health Services	2,572,227	2,764,649	2,980,056	3,405,061	3,877,497
Legal Services	654,914	736,083	833,606	892,927	993,317
Educational Services	244,638	262,262	266,157	304,090	331,471
Social Services ¹²	248,753	271,005	289,233	316,905	348,327
Museums, Botanical, Zoological Gardens	3,938	4,337	4,841	5,930	10,248
Membership Organizations	426,621	428,566	455,650	475,159	539,084
Engineering and Management Services ¹³	(N)	(N)	(N)	(N)	1,705,829
Miscellaneous Services	835,792	945,960	1,025,097	1,069,664	120,191
Government and Government Enterprises	7,989,660	8,635,775	9,006,515	9,640,537	10,339,987
Federal, Civilian	1,799,769	1,871,246	1,863,062	1,997,612	2,146,891
Military	1,084,482	1,172,193	1,199,737	1,298,063	1,363,630
State and Local	5,105,409	5,592,336	5,943,716	6,344,862	6,829,466
State	1,776,278	1,947,678	2,084,514	2,244,433	2,421,113
Local	3,329,131	3,644,658	3,859,202	4,100,429	4,408,353

See Footnotes at end of Table

TABLE 5.1

Washington Personal Income by Major Source and Earnings by Industry ¹
 (Dollars in Thousands)

	1989	1990	1991	1992	1993
Income by Place of Residence					
Total Personal Income	86,344,645	95,980,485	102,386,507	110,461,026	115,788,082
Nonfarm Personal Income	85,256,964	94,855,574	101,196,308	108,997,922	114,073,409
Farm Income ²	1,087,681	1,124,911	1,190,199	1,463,104	1,714,673
Population (Thousands) ³	4,746	4,901	5,018	5,146	5,259
Per Capita Personal Income (Dollars) ⁴	18,192	19,583	20,403	21,465	22,018
Derivation of Total Personal Income					
Earnings by Place of Work	60,838,719	67,863,818	72,581,665	79,063,739	82,352,875
Less: Personal Contrb. for Social Insurance ⁵	4,245,784	4,677,982	5,135,993	5,578,625	5,774,028
Plus: Adjustment for Residence	839,693	919,038	991,612	1,074,206	1,185,037
Equals: Net Earnings by Place of Residence	57,432,628	64,104,874	68,437,284	74,559,320	77,763,884
Plus: Dividends, Interest, and Rent ⁷	16,280,115	17,909,031	18,227,298	18,666,005	19,632,061
Plus: Transfer Payments	12,631,902	13,966,580	15,721,925	17,235,701	18,392,137
Earnings by Place of Work					
Wage and Salary Disbursements	48,874,769	54,179,674	57,984,156	62,920,493	64,612,497
Other Labor Income	4,619,790	5,308,899	5,945,362	6,612,203	7,183,680
Proprietors' Income ⁸	7,344,160	8,375,245	8,652,147	9,531,043	10,556,698
Farm Proprietors' Income	657,052	600,347	662,469	950,087	1,162,088
Nonfarm Proprietors' Income	6,687,108	7,774,898	7,989,678	8,580,956	9,394,610
Earnings by Industry					
Farm Earnings	1,087,681	1,124,911	1,190,199	1,463,104	1,714,673
Nonfarm Earnings	59,751,038	66,738,907	71,391,466	77,600,635	80,638,202
Private Earnings	48,716,434	54,630,485	58,133,134	63,300,067	65,647,096
Ag. Services, Forestry, Fisheries and Other ⁹	1,004,189	1,218,530	1,227,270	1,177,572	1,075,712
Agricultural Services	355,295	437,434	481,622	519,840	548,917
Forestry, Fisheries, and Other ⁹	648,894	781,096	745,648	657,732	526,795
Forestry	72,187	98,036	86,442	96,081	53,401
Fisheries	576,707	683,060	659,206	561,651	473,394
Other ⁹	0	0	0	0	0
Mining	146,114	159,865	178,054	174,565	160,535
Metal Mining	(D)	(D)	54,340	50,145	35,710
Coal Mining	(D)	(D)	42,025	44,930	43,257
Oil and Gas Extraction	10,983	13,204	15,948	9,212	6,907
Nonmetallic Minerals, Except Fuels	56,172	60,822	65,741	70,278	74,661
Construction	4,122,125	4,780,998	5,040,711	5,321,251	5,500,712
General Building Contractors	1,188,765	1,448,233	1,484,718	1,615,879	1,636,227
Heavy Construction Contractors	565,501	638,369	693,139	767,394	765,230
Special Trade Contractors	2,367,859	2,694,396	2,862,854	2,937,978	3,099,255
Manufacturing	12,884,243	13,848,706	13,858,491	14,714,774	14,577,667
Durable Goods	9,673,325	10,334,145	10,550,417	11,224,209	10,870,843
Lumber and Wood Products	1,377,601	1,380,482	1,354,534	1,471,678	1,478,603
Furniture and Fixtures	95,315	98,059	100,132	106,338	109,448
Stone, Clay, and Glass Products	219,772	253,933	254,405	280,960	297,474
Primary Metal Industries	502,717	539,900	524,002	515,534	500,048
Fabricated Metal Products	358,604	390,736	401,308	411,270	424,823
Industrial Machinery and Equipment	646,197	712,283	736,766	768,882	815,200
Electronic and Other Electric Equipment	334,958	334,111	372,854	368,581	391,807
Motor Vehicles and Equipment	175,244	167,067	154,883	175,908	213,861
Other Transportation Equipment	5,261,816	5,723,031	5,889,261	6,258,505	5,799,521
Instruments and Related Products	562,740	580,606	591,461	680,360	638,614
Miscellaneous Manufacturing Industries	138,361	153,937	170,811	186,193	201,444
Ordnance ^{10/}	(N)	(N)	(N)	(N)	(N)
Nondurable Goods	3,210,918	3,514,561	3,308,074	3,490,565	3,706,824
Food and Kindred Products	896,530	1,002,818	1,065,094	1,110,620	1,195,524
Tobacco Products	288	161	145	209	207
Textile Mill Products	26,912	33,363	34,581	33,756	35,557
Apparel and Other Textile Products	108,989	113,703	120,478	132,051	148,560
Paper and Allied Products	771,290	801,479	815,647	822,086	831,358

TABLE 5.1

Washington Personal Income by Major Source and Earnings by Industry ¹
 (Dollars in Thousands)

	1989	1990	1991	1992	1993
Printing and Publishing	591,489	635,731	671,408	725,740	759,417
Chemicals and Allied Products	561,400	636,103	290,248	312,821	362,306
Petroleum and Coal Products	98,823	115,330	119,838	126,521	134,985
Rubber and Misc. Plastics Products	146,307	167,389	182,593	217,137	228,639
Leather and Leather Products	8,890	8,484	8,042	9,624	10,271
Transportation and Public Utilities	4,078,825	4,471,588	4,730,298	5,079,623	5,502,879
Railroad Transportation	254,156	249,785	258,036	262,894	284,513
Trucking and Warehousing	937,675	1,009,763	1,030,306	1,119,746	1,173,552
Water Transportation	405,947	426,572	434,187	465,607	456,936
Other Transportation	969,673	1,047,802	1,086,898	1,149,331	1,147,339
Local and Interurban Passenger Transit	73,902	78,275	88,448	103,518	114,457
Transportation by Air	604,068	644,269	642,153	670,590	645,315
Pipelines, Except Natural Gas	3,757	5,232	7,303	5,789	5,185
Transportation Services	287,946	320,026	348,994	369,434	382,382
Communications	1,129,689	1,300,497	1,420,892	1,554,086	1,851,283
Electric, Gas, and Sanitary Services	381,685	437,169	499,979	527,959	589,256
Wholesale Trade	3,813,294	4,294,641	4,574,439	4,917,651	5,051,932
Retail Trade	6,115,799	6,768,340	7,181,101	7,658,933	8,000,639
Building Materials and Garden Equipment	365,980	395,444	445,799	484,980	505,214
General Merchandise Stores	619,272	667,077	705,314	731,564	754,723
Food Stores	1,071,624	1,171,726	1,209,220	1,319,115	1,361,997
Automotive Dealers and Service Stations	1,004,549	1,097,500	1,177,605	1,209,775	1,291,265
Apparel and Accessory Stores	335,563	373,813	429,718	448,802	466,997
Home Furniture and Furnishings Stores	454,889	504,212	514,042	501,266	507,458
Eating and Drinking Places	1,368,320	1,553,467	1,681,583	1,811,270	1,916,327
Miscellaneous Retail	895,602	1,005,101	1,017,820	1,152,161	1,196,658
Finance, Insurance, and Real Estate	3,174,817	3,496,751	3,683,526	4,501,805	4,959,881
Depository and Nondepository Institutions ¹	201,103	1,281,060	1,329,557	1,555,131	1,696,433
Other Finance, Insurance, and Real Estate ¹	973,714	2,215,691	2,353,969	2,946,674	3,263,448
Security and Commodity Brokers	282,436	284,003	334,784	427,494	479,768
Insurance Carriers	751,127	842,091	901,258	972,445	1,024,824
Insurance Agents, Brokers, and Services	482,711	565,784	594,053	642,152	687,334
Real Estate	380,748	419,072	409,356	693,352	881,742
Combined Real Estate, Insurance, Etc. ¹¹	(N)	(N)	(N)	(N)	(N)
Holding and Other Investment offices	76,692	104,741	114,518	211,231	189,780
Services	13,377,028	15,591,066	17,659,244	19,753,893	20,817,139
Hotels and Other Lodging Places	361,624	409,416	454,547	504,191	529,551
Personal Services	570,553	617,390	652,651	690,588	761,161
Private Households	121,188	129,044	127,146	142,699	152,304
Business Services	2,128,098	2,832,529	3,121,033	3,783,385	3,727,277
Auto Repair, Services, and Parking	520,123	575,568	607,953	621,458	700,553
Miscellaneous Repair Services	282,427	334,105	322,694	331,306	348,797
Amusement and Recreation Services	371,474	453,356	494,641	594,924	629,776
Motion Pictures	104,119	122,640	136,846	139,763	154,053
Health Services	4,346,048	4,914,029	5,565,394	6,228,121	6,567,691
Legal Services	1,028,965	1,116,249	1,199,007	1,305,919	1,349,545
Educational Services	362,638	385,377	451,936	486,188	539,167
Social Services ¹²	399,167	476,080	577,361	672,903	748,882
Museums, Botanical, Zoological Gardens	11,404	12,536	14,274	16,341	16,863
Membership Organizations	588,909	637,835	719,928	784,861	838,517
Engineering and Management Services ¹³	2,002,435	2,340,039	2,929,013	3,164,244	3,444,400
Miscellaneous Services	177,856	234,873	284,820	287,002	308,602
Government and Government Enterprises	11,034,604	12,108,422	13,258,332	14,300,568	14,991,106
Federal, Civilian	2,250,854	2,439,593	2,602,755	2,729,292	2,848,767
Military	1,384,350	1,489,154	1,557,360	1,652,214	1,642,710
State and Local	7,399,400	8,179,675	9,098,217	9,919,062	10,499,629
State	2,618,974	2,855,817	3,218,424	3,464,131	3,602,994
Local	4,780,426	5,323,858	5,879,793	6,454,931	6,896,635

See Footnotes at end of Table

TABLE 5.1

Washington Personal Income by Major Source and Earnings by Industry ¹ (Dollars in Thousands)

	1994	1995
Income by Place of Residence		
Total Personal Income	121,605,505	129,117,110
Nonfarm Personal Income	120,374,883	127,870,164
Farm Income ²	1,230,622	1,246,946
Population (Thousands) ³	5,343	5,431
Per Capita Personal Income (Dollars) ⁴	22,759	23,774
Derivation of Total Personal Income		
Earnings by Place of Work	85,963,361	91,049,025
Less: Personal Contrb. for Social Insurance ⁵	6,168,691	6,542,429
Plus: Adjustment for Residence	1,306,958	1,421,729
Equals: Net Earnings by Place of Residence	81,101,628	85,928,325
Plus: Dividends, Interest, and Rent ⁷	20,860,044	22,127,623
Plus: Transfer Payments	19,643,833	21,061,162
Earnings by Place of Work		
Wage and Salary Disbursements	67,633,774	71,591,321
Other Labor Income	7,609,562	8,025,065
Proprietors' Income ⁸	10,720,025	11,432,639
Farm Proprietors' Income	647,355	573,542
Nonfarm Proprietors' Income	10,072,670	10,859,097
Earnings by Industry		
Farm Earnings	1,230,622	1,246,946
Nonfarm Earnings	84,732,739	89,802,079
Private Earnings	69,272,176	73,630,364
Ag. Services, Forestry, Fisheries and Other ⁹	1,152,340	1,239,916
Agricultural Services	593,966	635,868
Forestry, Fisheries, and Other ⁹	558,374	604,048
Forestry	50,321	58,266
Fisheries	508,053	545,782
Other ⁹	0	0
Mining	173,655	180,649
Metal Mining	36,981	35,092
Coal Mining	46,735	47,260
Oil and Gas Extraction	8,361	6,562
Nonmetallic Minerals, Except Fuels	81,578	91,735
Construction	5,919,480	5,967,240
General Building Contractors	1,701,712	1,704,305
Heavy Construction Contractors	835,829	845,446
Special Trade Contractors	3,381,939	3,417,489
Manufacturing	14,990,400	15,457,553
Durable Goods	11,063,847	11,313,863
Lumber and Wood Products	1,565,377	1,609,278
Furniture and Fixtures	117,770	124,102
Stone, Clay, and Glass Products	324,217	333,069
Primary Metal Industries	491,101	533,425
Fabricated Metal Products	468,630	502,404
Industrial Machinery and Equipment	884,420	948,875
Electronic and Other Electric Equipment	443,587	537,876
Motor Vehicles and Equipment	257,718	290,141
Other Transportation Equipment	5,667,549	5,520,099
Instruments and Related Products	630,211	672,545
Miscellaneous Manufacturing Industries	213,267	242,049
Ordnance ¹⁰	(N)	(N)
Nondurable Goods	3,926,553	4,143,690
Food and Kindred Products	1,278,455	1,378,754
Tobacco Products	206	221
Textile Mill Products	37,297	35,504
Apparel and Other Textile Products	164,532	164,962
Paper and Allied Products	875,486	908,340

TABLE 5.1

Washington Personal Income by Major Source and Earnings by Industry ¹ (Dollars in Thousands)

	1994	1995
Printing and Publishing	804,508	848,853
Chemicals and Allied Products	363,461	382,580
Petroleum and Coal Products	146,953	150,108
Rubber and Misc. Plastics Products	245,226	264,240
Leather and Leather Products	10,429	10,128
Transportation and Public Utilities	5,818,821	6,313,734
Railroad Transportation	263,489	256,368
Trucking and Warehousing	1,269,473	1,377,999
Water Transportation	453,944	505,696
Other Transportation	1,187,226	1,232,345
Local and Interurban Passenger Transit	121,878	127,700
Transportation by Air	625,973	646,193
Pipelines, Except Natural Gas	5,697	6,076
Transportation Services	433,678	452,376
Communications	2,032,963	2,313,241
Electric, Gas, and Sanitary Services	611,726	628,085
Wholesale Trade	5,392,200	5,817,446
Retail Trade	8,535,740	9,012,726
Building Materials and Garden Equipment	547,161	579,974
General Merchandise Stores	811,518	888,103
Food Stores	1,437,560	1,536,078
Automotive Dealers and Service Stations	1,403,759	1,462,005
Apparel and Accessory Stores	484,125	504,832
Home Furniture and Furnishings Stores	538,260	554,768
Eating and Drinking Places	2,038,261	2,128,349
Miscellaneous Retail	1,275,096	1,358,617
Finance, Insurance, and Real Estate	4,980,775	5,197,863
Depository and Nondepository Institutions	1,663,635	1,649,412
Other Finance, Insurance, and Real Estate	3,317,140	3,548,451
Security and Commodity Brokers	480,971	510,915
Insurance Carriers	1,072,769	1,120,382
Insurance Agents, Brokers, and Services	724,411	770,852
Real Estate	937,560	1,031,489
Combined Real Estate, Insurance, Etc. ¹¹	(N)	(N)
Holding and Other Investment Offices	101,429	114,813
Services	22,308,765	24,443,237
Hotels and Other Lodging Places	552,693	593,000
Personal Services	777,309	799,631
Private Households	155,671	168,152
Business Services	4,315,942	5,317,220
Auto Repair, Services, and Parking	745,642	809,393
Miscellaneous Repair Services	343,021	364,407
Amusement and Recreation Services	684,707	774,552
Motion Pictures	175,355	186,285
Health Services	6,909,117	7,302,747
Legal Services	1,396,215	1,465,502
Educational Services	570,244	626,429
Social Services ¹²	816,212	887,610
Museums, Botanical, Zoological Gardens	19,130	20,355
Membership Organizations	890,239	929,079
Engineering and Management Services ¹³	3,580,258	3,776,637
Miscellaneous Services	377,010	422,238
Government and Government Enterprises	15,460,563	16,171,715
Federal, Civilian	2,927,973	3,005,032
Military	1,643,398	1,737,642
State and Local	10,889,192	11,429,041
State	3,639,893	3,801,469
Local	7,249,299	7,627,572

See Footnotes at end of Table

Footnotes for Table 5.1

¹ 1969-74 based on 1967 SIC. 1975-87 based on 1972 SIC. 1988-95 based on 1987 SIC.

² Farm income consists of proprietors' net income; the cash wages, pay-in-kind, and other labor income of hired farm workers; and the salaries of officers of corporate farms.

³ Midyear population estimates of the Bureau of the Census.

⁴ Per capita personal income was computed using midyear population estimates of the Bureau of the Census.

⁵ Personal contributions for social insurance are included in earnings by type and industry but excluded from personal income.

⁶ U.S. adjustment for residence consists of adjustments for border workers: income of U.S. residents commuting outside U.S. borders to work less income of foreign residents commuting inside U.S. borders to work plus certain Caribbean seasonal workers.

⁷ Consists largely of the capital consumption adjustment for rental income of persons.

⁸ Consists largely of the inventory valuation and capital consumption adjustments.

⁹ "Other" consists of the wage and salary disbursements of U.S. residents employed by international organizations and foreign embassies and consulates in the United States.

¹⁰ Under the 1972 standard industrial classification, ordnance was reclassified to four 2-digit industries: fabricated metal products; electronic equipment, except computer equipment; transpor-

tation equipment; and instruments and related products.

¹¹ Under the 1987 standard industrial classification, combined real estate, insurance, etc., was reclassified to four 2-digit industries: nondepository credit institutions; insurance agents, brokers, and services; real estate; and legal services.

¹² This category was new under the 1972 standard industrial classification; therefore estimates prior to 1975 do not exist.

¹³ This category is new under the 1987 standard industrial classification; therefore estimates prior to 1988 do not exist.

(D) Not shown to avoid disclosure of confidential information; estimates are included in totals.

(N) Data not available for this year.

TABLE 5.2

Washington Wage and Salary Disbursements ¹ (Dollars in Thousands)

	1969	1970	1971	1972	1973
Wage and Salary Disbursements by Place of Work	9,013,786	9,175,770	9,384,034	10,045,270	11,274,760
Farm Wage and Salary Disbursements	106,805	121,304	108,574	107,044	131,491
Nonfarm Wage and Salary Disbursements	8,906,981	9,054,466	9,275,460	9,938,226	11,143,269
Private Wage and Salary Disbursements	6,724,052	6,626,782	6,719,686	7,293,951	8,233,679
Ag. Services, Forestry, Fisheries and Other ²	35,255	36,714	40,899	46,857	61,383
Agricultural Services	19,405	20,633	23,913	26,605	32,021
Forestry, Fisheries, and Other ²	15,850	16,081	16,986	20,252	29,362
Forestry	4,459	4,517	4,562	4,715	4,808
Fisheries	11,391	11,564	12,424	15,537	24,554
Other ²	0	0	0	0	0
Mining	14,788	16,348	18,157	20,103	22,160
Metal Mining	3,705	4,311	3,942	3,888	3,426
Coal Mining	(D)	(D)	(D)	(D)	(D)
Oil and Gas Extraction	(D)	(D)	(D)	(D)	(D)
Nonmetallic Minerals, Except Fuels	10,404	10,813	11,550	12,281	12,678
Construction	574,863	578,604	616,759	603,120	683,325
General Building Contractors	156,081	161,949	174,259	164,774	200,040
Heavy Construction Contractors	160,649	169,112	186,410	181,933	197,626
Special Trade Contractors	258,133	247,543	256,090	256,413	285,659
Manufacturing	2,550,311	2,290,702	2,116,206	2,331,186	2,698,455
Durable Goods	1,952,325	1,669,210	1,480,793	1,642,666	1,960,345
Lumber and Wood Products	369,266	372,391	406,611	472,120	536,546
Furniture and Fixtures	24,714	24,571	24,685	26,482	31,206
Stone, Clay, and Glass Products	54,715	55,705	55,583	59,010	65,250
Primary Metal Industries	138,699	134,490	138,461	155,369	180,343
Fabricated Metal Products	69,989	69,071	67,863	73,806	85,625
Industrial Machinery and Equipment	101,235	94,108	93,759	108,864	134,102
Electronic and Other Electric Equipment	37,004	37,029	45,930	55,345	64,729
Motor Vehicles and Equipment	17,289	15,893	16,527	20,378	24,036
Other Transportation Equipment	1,118,024	843,311	606,178	642,316	802,667
Instruments and Related Products	5,314	5,862	6,331	6,345	8,428
Miscellaneous Manufacturing Industries	15,708	16,645	18,703	22,453	27,224
Ordnance ³	368	134	162	178	189
Nondurable Goods	597,986	621,492	635,413	688,520	738,110
Food and Kindred Products	217,883	225,428	232,976	243,996	265,499
Tobacco Products	0	0	0	0	0
Textile Mill Products	(D)	(D)	(D)	(D)	(D)
Apparel and Other Textile Products	26,731	28,824	31,219	35,994	38,744
Paper and Allied Products	180,782	189,262	185,726	205,768	213,734
Printing and Publishing	84,698	86,740	89,890	98,001	107,780
Chemicals and Allied Products	61,646	61,540	61,373	65,315	66,832
Petroleum and Coal Products	11,147	12,432	17,283	19,357	20,850
Rubber and Misc. Plastics Products	9,711	11,573	11,375	14,131	17,635
Leather and Leather Products	(D)	(D)	(D)	(D)	(D)
Transportation and Public Utilities	653,836	683,539	716,251	785,049	868,017
Railroad Transportation	113,062	120,797	126,002	135,619	149,843
Trucking and Warehousing	128,109	127,416	141,499	163,691	186,160
Water Transportation	97,191	98,315	88,858	103,835	106,227
Other Transportation	123,830	128,990	137,116	139,474	158,715
Local and Interurban Passenger Transit	(D)	(D)	(D)	(D)	(D)
Transportation by Air	81,904	86,359	92,254	92,511	107,463
Pipelines, Except Natural Gas	(D)	(D)	(D)	(D)	(D)
Transportation Services	17,472	17,010	19,057	21,851	26,182
Communications	140,827	152,598	163,613	178,799	198,117
Electric, Gas, and Sanitary Services	50,817	55,423	59,163	63,631	68,955
Wholesale Trade	551,809	573,874	589,118	643,184	729,967
Retail Trade	956,801	977,137	1,033,053	1,125,298	1,234,002
Building Materials and Garden Equipment	60,794	60,050	64,841	72,423	81,340
General Merchandise Stores	179,690	186,353	195,948	209,624	223,250
Food Stores	149,512	157,961	170,066	184,298	197,085
Automotive Dealers and Service Stations	191,232	185,423	195,186	221,308	240,043

TABLE 5.2
Washington Wage and Salary Disbursements ¹
(Dollars in Thousands)

	1969	1970	1971	1972	1973
Apparel and Accessory Stores	41,201	41,731	44,169	47,370	50,338
Home Furniture and Furnishings Stores	51,206	46,986	48,523	54,020	60,350
Eating and Drinking Places	171,121	181,213	190,783	201,851	234,272
Miscellaneous Retail	112,045	117,420	123,537	134,404	147,324
Finance, Insurance, and Real Estate	423,308	438,920	458,140	492,354	536,055
Depository and Nondepository Institutions	154,657	167,425	174,461	186,191	206,574
Other Finance, Insurance, and Real Estate	268,651	271,495	283,679	306,163	329,481
Security and Commodity Brokers	24,491	21,537	24,794	27,278	24,293
Insurance Carriers	102,556	112,865	116,878	124,858	136,659
Insurance Agents, Brokers, and Services	34,725	37,840	39,940	43,745	49,231
Real Estate	99,050	91,375	92,450	99,189	108,697
Combined Real Estate, Insurance, Etc. ⁴	3,473	3,955	4,145	4,142	4,105
Holding and Other Investment offices	4,356	3,923	5,472	6,951	6,496
Services	963,081	1,030,944	1,131,103	1,246,800	1,400,315
Hotels and Other Lodging Places	52,748	56,482	59,135	61,285	67,426
Personal Services	75,687	75,812	74,126	73,865	77,577
Private Households	49,936	50,403	50,726	51,433	53,285
Business Services	134,046	141,297	140,443	158,855	177,709
Auto Repair, Services, and Parking	46,115	46,159	47,821	53,571	61,092
Miscellaneous Repair Services	23,052	22,520	23,036	25,193	28,513
Amusement and Recreation Services	30,501	31,040	32,456	37,645	42,476
Motion Pictures	8,015	8,433	8,689	8,279	9,034
Health Services	241,385	273,747	323,278	377,506	429,040
Legal Services	19,681	22,933	26,466	32,749	41,449
Educational Services	45,371	49,658	60,019	68,221	74,660
Social Services ⁵	(N)	(N)	(N)	(N)	(N)
Museums, Botanical, Zoological Gardens	298	343	510	365	462
Membership Organizations	146,592	156,750	167,785	174,780	188,676
Engineering and Management Services ⁶	(N)	(N)	(N)	(N)	(N)
Miscellaneous Services	89,654	95,367	116,613	123,053	148,916
Government and Government Enterprises	2,182,929	2,427,684	2,555,774	2,644,275	2,909,590
Federal, Civilian	524,675	577,758	599,179	640,254	685,940
Military	429,123	445,974	431,458	370,931	440,938
State and Local	1,229,131	1,403,952	1,525,137	1,633,090	1,782,712
State	(N)	(N)	(N)	(N)	(N)
Local	(N)	(N)	(N)	(N)	(N)

See Footnotes at end of Table

TABLE 5.2

Washington Wage and Salary Disbursements ¹

(Dollars in Thousands)

	1974	1975	1976	1977	1978
Wage and Salary Disbursements by Place of Work	2,621,812	14,017,532	15,767,930	17,803,231	20,886,702
Farm Wage and Salary Disbursements	159,646	192,905	250,873	219,668	239,522
Nonfarm Wage and Salary Disbursements	12,462,166	13,824,627	15,517,057	17,583,563	20,647,180
Private Wage and Salary Disbursements	9,223,856	10,244,235	11,658,069	13,417,666	16,070,112
Ag. Services, Forestry, Fisheries and Other ²	64,906	73,976	92,296	117,156	159,709
Agricultural Services	36,671	41,954	51,164	59,584	79,342
Forestry, Fisheries, and Other ²	28,235	32,022	41,132	57,572	80,367
Forestry	5,527	7,016	7,398	8,662	10,908
Fisheries	22,708	25,006	33,734	48,910	69,459
Other ²	0	0	0	0	0
Mining	25,748	29,073	32,751	39,314	51,956
Metal Mining	4,125	4,895	6,031	7,591	10,083
Coal Mining	(D)	(D)	(D)	(D)	(D)
Oil and Gas Extraction	(D)	(D)	(D)	(D)	(D)
Nonmetallic Minerals, Except Fuels	14,001	13,936	15,945	19,891	27,740
Construction	727,805	878,640	1,055,060	1,285,955	1,673,015
General Building Contractors	212,703	230,187	306,101	379,786	493,226
Heavy Construction Contractors	194,105	249,317	287,766	337,586	409,403
Special Trade Contractors	320,997	399,136	461,193	568,583	770,386
Manufacturing	3,043,221	3,283,649	3,615,684	4,072,703	4,837,948
Durable Goods	2,217,977	2,390,618	2,585,308	2,909,720	3,590,025
Lumber and Wood Products	567,873	598,506	732,071	842,228	951,183
Furniture and Fixtures	33,924	26,211	30,703	35,275	38,713
Stone, Clay, and Glass Products	70,869	79,307	89,529	101,817	119,878
Primary Metal Industries	217,897	219,417	240,924	268,600	325,868
Fabricated Metal Products	102,625	158,004	161,601	158,943	188,167
Industrial Machinery and Equipment	152,337	161,399	168,386	184,296	215,275
Electronic and Other Electric Equipment	74,945	68,563	73,909	91,383	112,284
Motor Vehicles and Equipment	25,202	22,793	26,262	32,653	38,090
Other Transportation Equipment	931,944	999,450	993,030	1,114,619	1,500,741
Instruments and Related Products	10,282	24,121	29,621	37,262	49,166
Miscellaneous Manufacturing Industries	29,921	32,847	39,272	42,644	50,660
Ordnance ³	158	(N)	(N)	(N)	(N)
Nondurable Goods	825,244	893,031	1,030,376	1,162,983	1,247,923
Food and Kindred Products	294,031	321,461	365,959	411,319	457,994
Tobacco Products	0	0	0	0	0
Textile Mill Products	(D)	(D)	(D)	(D)	(D)
Apparel and Other Textile Products	44,156	46,018	57,103	59,583	65,604
Paper and Allied Products	235,068	242,304	286,927	322,199	290,689
Printing and Publishing	118,492	128,976	143,693	163,306	186,048
Chemicals and Allied Products	79,047	91,424	104,652	125,173	147,670
Petroleum and Coal Products	26,122	31,590	35,261	38,517	43,621
Rubber and Misc. Plastics Products	20,846	23,393	27,792	32,292	43,384
Leather and Leather Products	(D)	(D)	(D)	(D)	(D)
Transportation and Public Utilities	935,572	1,008,525	1,157,225	1,291,740	1,506,710
Railroad Transportation	159,085	156,282	172,766	183,488	201,982
Trucking and Warehousing	198,713	208,959	249,591	292,356	345,648
Water Transportation	103,577	117,635	131,403	134,999	159,882
Other Transportation	179,773	198,325	233,263	262,679	302,946
Local and Interurban Passenger Transit	(D)	(D)	(D)	(D)	(D)
Transportation by Air	119,599	134,210	162,825	181,974	209,484
Pipelines, Except Natural Gas	(D)	(D)	(D)	(D)	(D)
Transportation Services	31,009	35,102	38,617	47,204	57,504
Communications	219,716	239,846	273,461	315,175	376,758
Electric, Gas, and Sanitary Services	74,708	87,478	96,741	103,043	119,494
Wholesale Trade	848,450	1,011,087	1,133,322	1,292,610	1,498,943
Retail Trade	1,370,157	1,491,111	1,719,568	1,962,165	2,291,460
Building Materials and Garden Equipment	93,674	79,969	99,142	121,133	159,014
General Merchandise Stores	240,191	204,839	238,166	272,533	299,495
Food Stores	224,138	258,363	290,916	327,019	376,482
Automotive Dealers and Service Stations	243,868	274,266	316,338	353,222	417,483

TABLE 5.2

Washington Wage and Salary Disbursements ¹

(Dollars in Thousands)

	1974	1975	1976	1977	1978
Apparel and Accessory Stores	56,553	64,266	74,500	85,810	105,398
Home Furniture and Furnishings Stores	67,096	75,310	90,681	110,041	132,847
Eating and Drinking Places	276,055	321,555	378,440	443,423	518,031
Miscellaneous Retail	168,582	212,543	231,385	248,984	282,710
Finance, Insurance, and Real Estate	589,877	635,257	727,051	868,779	1,079,639
Depository and Nondepository Institutions	233,889	264,354	297,777	348,810	420,509
Other Finance, Insurance, and Real Estate	355,988	370,903	429,274	519,969	659,130
Security and Commodity Brokers	24,898	31,664	38,818	42,372	56,800
Insurance Carriers	151,270	165,058	182,400	209,668	250,612
Insurance Agents, Brokers, and Services	54,419	60,333	72,553	91,536	118,094
Real Estate	113,899	101,073	122,248	162,298	220,741
Combined Real Estate, Insurance, Etc. ⁴	4,454	4,765	5,485	6,524	4,534
Holding and Other Investment offices	7,048	8,010	7,770	7,571	8,349
Services	1,618,120	1,832,917	2,125,112	2,487,244	2,970,732
Hotels and Other Lodging Places	77,321	80,971	91,658	105,100	124,889
Personal Services	83,895	92,327	103,594	117,890	133,714
Private Households	50,560	50,847	59,123	64,690	71,011
Business Services	218,210	315,315	371,176	448,922	550,109
Auto Repair, Services, and Parking	68,047	78,742	94,464	110,892	136,373
Miscellaneous Repair Services	34,805	40,690	48,752	57,215	70,265
Amusement and Recreation Services	52,239	55,366	67,991	78,814	93,321
Motion Pictures	10,237	11,285	13,154	14,360	16,546
Health Services	497,898	590,723	676,437	780,403	902,976
Legal Services	51,220	61,604	72,452	87,266	105,634
Educational Services	81,557	73,391	79,383	83,894	90,195
Social Services ⁵	(N)	54,849	67,317	76,821	92,004
Museums, Botanical, Zoological Gardens	647	812	1,131	1,276	2,480
Membership Organizations	210,737	175,796	207,450	242,943	297,841
Engineering and Management Services ⁶	(N)	(N)	(N)	(N)	(N)
Miscellaneous Services	180,747	150,199	171,030	216,758	283,374
Government and Government Enterprises	3,238,310	3,580,392	3,858,988	4,165,897	4,577,068
Federal, Civilian	787,265	880,564	932,364	1,019,554	1,110,717
Military	517,395	531,744	555,425	567,526	603,908
State and Local	1,933,650	2,168,084	2,371,199	2,578,817	2,862,443
State	(N)	(N)	(N)	(N)	(N)
Local	(N)	(N)	(N)	(N)	(N)

See Footnotes at end of Table

TABLE 5.2

Washington Wage and Salary Disbursements ¹

(Dollars in Thousands)

	1979	1980	1981	1982	1983
Wage and Salary Disbursements by Place of Work	4,366,844	27,024,065	29,793,494	30,790,068	31,821,604
Farm Wage and Salary Disbursements	266,379	281,629	279,788	335,945	325,471
Nonfarm Wage and Salary Disbursements	24,100,465	26,742,436	29,513,706	30,454,123	31,496,133
Private Wage and Salary Disbursements	18,961,933	20,953,643	23,205,312	23,796,400	24,385,477
Ag. Services, Forestry, Fisheries and Other ²	177,697	201,733	222,243	219,875	226,125
Agricultural Services	93,232	114,173	134,157	135,299	143,196
Forestry, Fisheries, and Other ²	84,465	87,560	88,086	84,576	82,929
Forestry	13,533	19,295	22,077	25,040	24,338
Fisheries	70,932	68,265	66,009	59,536	58,591
Other ²	0	0	0	0	0
Mining	62,799	70,297	74,010	76,927	71,356
Metal Mining	14,067	17,605	20,236	16,917	11,989
Coal Mining	(D)	(D)	(D)	(D)	(D)
Oil and Gas Extraction	(D)	(D)	(D)	(D)	(D)
Nonmetallic Minerals, Except Fuels	32,761	33,589	31,946	33,364	31,402
Construction	2,082,658	2,058,418	2,249,958	1,949,693	1,764,564
General Building Contractors	624,472	562,576	528,521	456,999	478,321
Heavy Construction Contractors	524,963	569,970	647,063	576,671	477,208
Special Trade Contractors	933,223	925,872	1,074,374	916,023	809,035
Manufacturing	5,791,650	6,473,194	7,047,561	7,148,406	7,023,866
Durable Goods	4,346,962	4,887,974	5,312,273	5,335,881	5,105,668
Lumber and Wood Products	1,014,190	961,072	970,542	896,530	996,537
Furniture and Fixtures	44,337	47,195	49,932	46,713	52,081
Stone, Clay, and Glass Products	137,206	138,577	144,272	139,163	144,770
Primary Metal Industries	380,052	409,409	444,611	397,428	388,743
Fabricated Metal Products	212,058	240,799	266,697	231,049	215,026
Industrial Machinery and Equipment	265,173	299,135	333,180	394,123	367,120
Electronic and Other Electric Equipment	147,569	185,865	199,687	215,365	242,149
Motor Vehicles and Equipment	44,351	45,759	51,731	45,976	45,475
Other Transportation Equipment	1,957,022	2,383,545	2,644,074	2,721,333	2,364,396
Instruments and Related Products	83,765	110,750	138,527	179,537	213,310
Miscellaneous Manufacturing Industries	61,239	65,868	69,020	68,664	76,061
Ordnance ³	(N)	(N)	(N)	(N)	(N)
Nondurable Goods	1,444,688	1,585,220	1,735,288	1,812,525	1,918,198
Food and Kindred Products	500,558	526,683	574,917	598,855	603,203
Tobacco Products	0	0	0	0	0
Textile Mill Products	(D)	(D)	(D)	(D)	(D)
Apparel and Other Textile Products	68,530	66,460	65,709	71,408	77,953
Paper and Allied Products	368,180	428,566	453,032	448,476	477,039
Printing and Publishing	217,141	242,788	270,966	293,518	313,017
Chemicals and Allied Products	174,723	195,040	233,729	262,296	298,709
Petroleum and Coal Products	48,951	55,672	60,571	56,151	58,230
Rubber and Misc. Plastics Products	51,699	55,103	59,870	64,482	70,879
Leather and Leather Products	(D)	(D)	(D)	(D)	(D)
Transportation and Public Utilities	1,740,815	1,924,797	2,101,588	2,178,666	2,291,957
Railroad Transportation	233,037	239,550	238,272	228,797	225,533
Trucking and Warehousing	386,314	409,998	430,472	424,340	438,120
Water Transportation	191,905	217,027	231,392	240,329	258,084
Other Transportation	333,062	377,874	414,863	442,506	493,936
Local and Interurban Passenger Transit	(D)	(D)	(D)	(D)	(D)
Transportation by Air	220,105	246,302	257,962	271,687	304,474
Pipelines, Except Natural Gas	(D)	(D)	(D)	(D)	(D)
Transportation Services	71,798	84,133	104,848	120,298	137,931
Communications	457,193	519,920	599,336	637,777	671,782
Electric, Gas, and Sanitary Services	139,304	160,428	187,253	204,917	204,502
Wholesale Trade	1,765,373	1,914,046	2,115,634	2,204,007	2,251,367
Retail Trade	2,592,687	2,803,459	3,086,961	3,196,337	3,405,157
Building Materials and Garden Equipment	184,249	188,363	201,033	193,646	194,754
General Merchandise Stores	331,644	346,166	375,561	374,951	399,110
Food Stores	439,715	516,968	586,635	623,150	641,782
Automotive Dealers and Service Stations	445,489	448,031	469,590	472,550	519,953

TABLE 5.2
Washington Wage and Salary Disbursements ¹
(Dollars in Thousands)

	1979	1980	1981	1982	1983
Apparel and Accessory Stores	122,114	138,206	153,412	160,114	175,131
Home Furniture and Furnishings Stores	150,644	149,093	158,394	157,478	177,138
Eating and Drinking Places	599,866	661,124	743,505	788,483	828,619
Miscellaneous Retail	318,966	355,508	398,831	425,965	468,670
Finance, Insurance, and Real Estate	1,262,177	1,409,839	1,561,896	1,711,846	1,860,340
Depository and Nondepository Institutions	487,266	549,727	617,475	672,679	719,189
Other Finance, Insurance, and Real Estate	774,911	860,112	944,421	1,039,167	1,141,151
Security and Commodity Brokers	67,321	96,086	120,172	153,607	190,203
Insurance Carriers	283,169	324,377	358,605	388,043	418,918
Insurance Agents, Brokers, and Services	140,572	154,684	164,378	191,333	203,891
Real Estate	268,615	268,560	282,366	279,834	296,292
Combined Real Estate, Insurance, Etc. ⁴	4,402	3,775	2,907	2,967	3,004
Holding and Other Investment offices	10,832	12,630	15,993	23,383	28,843
Services	3,486,077	4,097,860	4,745,461	5,110,643	5,490,745
Hotels and Other Lodging Places	141,705	153,837	175,310	183,507	206,066
Personal Services	149,411	164,235	189,444	211,690	230,271
Private Households	69,139	66,210	69,313	72,860	75,476
Business Services	670,463	822,450	924,578	864,573	932,514
Auto Repair, Services, and Parking	157,936	168,894	185,507	206,969	224,204
Miscellaneous Repair Services	78,695	90,834	94,729	100,677	113,203
Amusement and Recreation Services	103,349	123,270	140,276	170,377	188,287
Motion Pictures	18,651	21,879	25,689	26,746	26,975
Health Services	1,053,249	1,255,209	1,532,868	1,720,192	1,826,260
Legal Services	133,919	172,335	228,690	297,489	322,164
Educational Services	102,872	120,884	139,452	165,611	182,650
Social Services ⁵	117,278	144,086	160,907	179,621	208,458
Museums, Botanical, Zoological Gardens	2,283	2,538	2,774	2,937	3,234
Membership Organizations	303,334	340,220	358,324	363,228	381,183
Engineering and Management Services ⁶	(N)	(N)	(N)	(N)	(N)
Miscellaneous Services	383,793	450,979	517,600	544,166	569,800
Government and Government Enterprises	5,138,532	5,788,793	6,308,394	6,657,723	7,110,656
Federal, Civilian	1,222,160	1,332,819	1,379,266	1,469,253	1,641,665
Military	624,809	701,229	838,326	966,299	1,015,897
State and Local	3,291,563	3,754,745	4,090,802	4,222,171	4,453,094
State	1,130,752	1,278,261	1,353,583	1,370,590	1,488,065
Local	2,160,811	2,476,484	2,737,219	2,851,581	2,965,029

See Footnotes at end of Table

TABLE 5.2

Washington Wage and Salary Disbursements ¹

(Dollars in Thousands)

	1984	1985	1986	1987	1988
Wage and Salary Disbursements by Place of Work	3,651,192	35,798,745	38,336,214	41,164,558	44,663,309
Farm Wage and Salary Disbursements	326,682	333,613	313,709	317,873	374,795
Nonfarm Wage and Salary Disbursements	33,324,510	35,465,132	38,022,505	40,846,685	44,288,514
Private Wage and Salary Disbursements	25,746,435	27,326,579	29,537,228	31,810,619	34,624,252
Ag. Services, Forestry, Fisheries and Other ²	240,997	272,050	326,883	379,818	446,526
Agricultural Services	154,656	166,170	182,921	213,022	232,794
Forestry, Fisheries, and Other ²	86,341	105,880	143,962	166,796	213,732
Forestry	27,776	27,445	28,425	29,661	35,195
Fisheries	58,565	78,435	115,537	137,135	178,537
Other ²	0	0	0	0	0
Mining	72,502	75,050	85,882	91,454	111,283
Metal Mining	10,442	10,058	13,699	(D)	(D)
Coal Mining	(D)	(D)	(D)	(D)	(D)
Oil and Gas Extraction	(D)	(D)	(D)	(D)	(D)
Nonmetallic Minerals, Except Fuels	33,385	33,489	35,083	36,540	40,839
Construction	1,780,513	1,793,712	1,942,610	2,082,499	2,383,911
General Building Contractors	539,329	520,277	548,740	608,764	707,655
Heavy Construction Contractors	381,864	405,276	413,820	425,881	428,531
Special Trade Contractors	859,320	868,159	980,050	1,047,854	1,247,725
Manufacturing	7,547,563	7,993,131	8,713,671	9,123,933	10,003,283
Durable Goods	5,504,315	5,821,257	6,449,928	6,744,260	7,432,331
Lumber and Wood Products	986,181	935,530	948,289	1,004,676	1,067,469
Furniture and Fixtures	(D)	(D)	(D)	66,516	78,298
Stone, Clay, and Glass Products	153,103	151,459	154,775	164,689	181,656
Primary Metal Industries	418,086	385,962	366,699	342,652	392,034
Fabricated Metal Products	223,671	220,122	228,630	241,725	270,805
Industrial Machinery and Equipment	393,968	432,540	450,969	413,045	492,271
Electronic and Other Electric Equipment	255,754	285,637	315,783	333,438	293,967
Motor Vehicles and Equipment	(D)	(D)	(D)	119,826	134,123
Other Transportation Equipment	2,632,221	2,950,122	3,486,765	3,663,541	4,013,274
Instruments and Related Products	244,503	270,239	285,339	302,639	402,080
Miscellaneous Manufacturing Industries	87,064	81,526	87,111	91,513	106,354
Ordnance ³	(N)	(N)	(N)	(N)	(N)
Nondurable Goods	2,043,248	2,171,874	2,263,743	2,379,673	2,570,952
Food and Kindred Products	607,032	627,682	640,021	671,629	717,423
Tobacco Products	0	0	0	0	0
Textile Mill Products	13,433	16,485	18,810	20,377	(D)
Apparel and Other Textile Products	85,749	82,670	81,735	87,402	89,872
Paper and Allied Products	527,356	558,883	579,512	605,297	621,301
Printing and Publishing	335,886	362,897	398,134	421,760	467,705
Chemicals and Allied Products	327,291	367,499	383,463	394,695	461,107
Petroleum and Coal Products	57,834	66,201	64,460	70,228	(D)
Rubber and Misc. Plastics Products	82,506	84,831	92,882	102,894	112,967
Leather and Leather Products	6,161	4,726	4,726	5,391	6,295
Transportation and Public Utilities	2,403,708	2,512,316	2,628,974	2,762,006	2,978,226
Railroad Transportation	235,554	223,984	221,309	221,553	218,975
Trucking and Warehousing	474,294	492,541	510,733	551,016	603,844
Water Transportation	269,287	269,487	266,071	297,803	323,805
Other Transportation	556,602	600,622	651,041	671,762	738,879
Local and Interurban Passenger Transit	(D)	(D)	50,501	49,336	52,745
Transportation by Air	340,162	365,208	396,261	409,450	464,890
Pipelines, Except Natural Gas	2,686	(D)	2,928	3,037	3,115
Transportation Services	(D)	183,039	201,351	209,939	218,129
Communications	657,978	698,743	729,031	757,442	810,987
Electric, Gas, and Sanitary Services	209,993	226,939	250,789	262,430	281,736
Wholesale Trade	2,391,558	2,480,881	2,606,517	2,763,764	3,029,829
Retail Trade	3,579,161	3,772,877	4,000,909	4,295,884	4,624,051
Building Materials and Garden Equipment	199,986	209,578	236,305	250,153	268,704
General Merchandise Stores	410,203	441,899	455,921	489,676	520,421
Food Stores	660,523	692,370	745,497	778,440	819,738
Automotive Dealers and Service Stations	581,924	633,257	673,863	728,867	769,773

TABLE 5.2

Washington Wage and Salary Disbursements ¹

(Dollars in Thousands)

	1984	1985	1986	1987	1988
Apparel and Accessory Stores	195,561	207,928	229,498	250,673	272,581
Home Furniture and Furnishings Stores	195,680	219,323	235,850	252,770	304,390
Eating and Drinking Places	856,962	862,512	899,147	996,701	1,089,078
Miscellaneous Retail	478,322	506,010	524,828	548,604	579,366
Finance, Insurance, and Real Estate	1,900,179	2,100,410	2,371,098	2,583,663	2,736,101
Depository and Nondepository Institutions	765,268	840,825	949,798	1,006,132	1,041,004
Other Finance, Insurance, and Real Estate	134,911	1,259,585	1,421,300	1,577,531	1,695,097
Security and Commodity Brokers	175,527	208,746	248,744	273,525	259,672
Insurance Carriers	448,175	484,415	535,886	589,685	633,495
Insurance Agents, Brokers, and Services	197,001	224,085	250,555	286,695	323,987
Real Estate	281,012	293,956	324,830	354,396	399,747
Combined Real Estate, Insurance, Etc. ⁴	2,424	2,945	3,062	3,226	(N)
Holding and Other Investment offices	30,772	45,438	58,223	70,004	78,196
Services	5,830,254	6,326,152	6,860,684	7,727,598	8,311,042
Hotels and Other Lodging Places	223,100	227,871	241,604	262,327	285,824
Personal Services	255,091	249,258	258,833	273,922	264,319
Private Households	89,699	92,465	99,529	101,195	111,008
Business Services	1,046,536	1,156,482	1,300,658	1,605,750	1,210,419
Auto Repair, Services, and Parking	256,846	288,239	293,924	305,435	299,759
Miscellaneous Repair Services	122,656	131,896	136,057	143,032	151,563
Amusement and Recreation Services	207,433	213,831	218,633	233,245	255,445
Motion Pictures	28,178	27,807	(D)	32,593	55,265
Health Services	1,839,857	1,999,575	2,179,530	2,508,480	2,853,154
Legal Services	329,248	382,454	429,096	480,044	517,080
Educational Services	196,461	212,749	220,551	245,087	270,028
Social Services ⁵	232,628	250,915	268,205	293,626	323,089
Museums, Botanical, Zoological Gardens	3,622	3,973	(D)	5,487	9,494
Membership Organizations	400,849	397,808	423,256	440,908	500,902
Engineering and Management Services ⁶	(N)	(N)	(N)	(N)	1,192,876
Miscellaneous Services	598,050	690,829	754,197	796,467	10,817
Government and Government Enterprises	7,578,075	8,138,553	8,485,277	9,036,066	9,664,262
Federal, Civilian	1,698,602	1,766,605	1,767,967	1,874,310	1,988,343
Military	1,084,482	1,172,193	1,199,737	1,298,063	1,363,630
State and Local	4,794,991	5,199,755	5,517,573	5,863,693	6,312,289
State	1,645,599	1,785,528	1,907,789	2,046,892	2,215,441
Local	3,149,392	3,414,227	3,609,784	3,816,801	4,096,848

See Footnotes at end of Table

TABLE 5.2

Washington Wage and Salary Disbursements ¹ (Dollars in Thousands)

	1989	1990	1991	1992	1993
Wage and Salary Disbursements by Place of Work	8,874,769	54,179,674	57,984,156	62,920,493	64,612,497
Farm Wage and Salary Disbursements	411,300	500,767	502,340	493,426	525,896
Nonfarm Wage and Salary Disbursements	48,463,469	53,678,907	57,481,816	62,427,067	64,086,601
Private Wage and Salary Disbursements	38,192,255	42,470,987	45,208,746	49,201,611	50,269,478
Ag. Services, Forestry, Fisheries and Other ²	482,431	588,562	645,727	661,002	631,439
Agricultural Services	259,964	314,005	336,653	357,633	383,907
Forestry, Fisheries, and Other ²	222,467	274,557	309,074	303,369	247,532
Forestry	40,786	42,434	42,938	49,894	43,191
Fisheries	181,681	232,123	266,136	253,475	204,341
Other ²	0	0	0	0	0
Mining	120,872	133,055	135,009	131,669	124,410
Metal Mining	34,136	39,780	41,442	40,148	32,399
Coal Mining	(D)	(D)	(D)	(D)	(D)
Oil and Gas Extraction	(D)	(D)	(D)	(D)	(D)
Nonmetallic Minerals, Except Fuels	46,247	49,334	53,215	56,686	60,898
Construction	2,744,266	3,166,365	3,411,892	3,641,352	3,626,942
General Building Contractors	771,634	924,902	985,453	1,062,611	1,028,139
Heavy Construction Contractors	504,638	562,944	607,837	670,268	650,474
Special Trade Contractors	1,467,994	1,678,519	1,818,602	1,908,473	1,948,329
Manufacturing	11,029,769	11,865,938	11,729,560	12,357,997	12,069,845
Durable Goods	8,265,382	8,840,050	8,909,306	9,400,404	8,955,180
Lumber and Wood Products	1,087,619	1,091,125	1,035,083	1,106,390	(D)
Furniture and Fixtures	74,338	81,940	79,858	81,331	81,712
Stone, Clay, and Glass Products	189,424	215,366	218,058	237,796	248,939
Primary Metal Industries	428,007	462,361	450,443	434,965	419,688
Fabricated Metal Products	295,281	317,707	331,354	336,391	343,460
Industrial Machinery and Equipment	546,623	607,190	630,204	648,784	683,010
Electronic and Other Electric Equipment	283,846	291,040	314,568	303,659	321,080
Motor Vehicles and Equipment	142,967	136,511	128,989	137,622	159,797
Other Transportation Equipment	4,603,964	4,989,995	5,055,265	5,359,239	(D)
Instruments and Related Products	494,826	512,211	516,416	591,496	549,998
Miscellaneous Manufacturing Industries	118,487	134,604	149,068	162,731	175,147
Ordnance ³	(N)	(N)	(N)	(N)	(N)
Nondurable Goods	2,764,387	3,025,888	2,820,254	2,957,593	3,114,665
Food and Kindred Products	(D)	(D)	(D)	981,813	1,050,514
Tobacco Products	0	0	0	0	0
Textile Mill Products	22,437	28,775	29,894	29,180	30,594
Apparel and Other Textile Products	(D)	(D)	(D)	111,607	124,848
Paper and Allied Products	688,443	716,914	725,746	723,047	728,327
Printing and Publishing	487,451	534,858	561,170	602,198	628,408
Chemicals and Allied Products	456,876	506,304	195,024	210,487	236,218
Petroleum and Coal Products	77,218	90,657	95,006	98,842	105,757
Rubber and Misc. Plastics Products	126,857	148,041	161,505	191,668	201,050
Leather and Leather Products	7,784	7,384	7,036	8,751	8,949
Transportation and Public Utilities	3,204,992	3,412,158	3,536,043	3,745,333	3,853,790
Railroad Transportation	225,018	219,206	224,303	227,360	245,755
Trucking and Warehousing	661,432	713,266	721,915	795,508	820,440
Water Transportation	363,618	380,801	381,715	407,669	400,939
Other Transportation	828,522	896,065	923,367	968,917	956,607
Local and Interurban Passenger Transit	57,202	64,035	68,582	78,907	87,664
Transportation by Air	527,929	556,878	557,802	578,584	551,505
Pipelines, Except Natural Gas	3,438	4,739	6,576	5,218	4,621
Transportation Services	239,953	270,413	290,407	306,208	312,817
Communications	824,825	867,534	913,821	955,831	1,023,022
Electric, Gas, and Sanitary Services	301,577	335,286	370,922	390,048	407,027
Wholesale Trade	3,344,337	3,705,983	3,956,956	4,240,279	4,340,978
Retail Trade	5,080,991	5,608,166	5,940,824	6,385,704	6,602,647
Building Materials and Garden Equipment	293,376	338,922	374,341	410,540	423,545
General Merchandise Stores	570,115	605,100	647,586	670,031	689,204
Food Stores	897,731	971,310	1,004,122	1,091,755	1,114,864
Automotive Dealers and Service Stations	847,362	930,316	965,463	1,034,857	1,101,644

TABLE 5.2

Washington Wage and Salary Disbursements ¹

(Dollars in Thousands)

	1989	1990	1991	1992	1993
Apparel and Accessory Stores	301,934	333,113	371,097	402,443	417,094
Home Furniture and Furnishings Stores	342,845	384,320	412,676	440,840	441,820
Eating and Drinking Places	1,208,534	1,365,869	1,448,923	1,549,289	1,627,030
Miscellaneous Retail	619,094	679,216	716,616	785,949	787,446
Finance, Insurance, and Real Estate	2,912,660	3,195,644	3,373,693	3,859,544	4,115,734
Depository and Nondepository Institutions ¹	1,076,614	1,144,204	1,175,680	1,359,553	1,453,135
Other Finance, Insurance, and Real Estate ¹	1,836,046	2,051,440	2,198,013	2,499,991	2,662,599
Security and Commodity Brokers	257,337	257,446	302,433	387,458	433,714
Insurance Carriers	676,039	751,421	800,284	857,108	898,777
Insurance Agents, Brokers, and Services	336,377	389,500	415,547	448,564	475,724
Real Estate	464,734	538,353	554,827	603,764	626,061
Combined Real Estate, Insurance, Etc. ⁴	(N)	(N)	(N)	(N)	(N)
Holding and Other Investment offices	101,559	114,720	124,922	203,097	228,323
Services	9,271,937	10,795,116	12,479,042	14,178,731	14,903,693
Hotels and Other Lodging Places	315,362	343,937	364,490	380,751	395,576
Personal Services	282,763	315,270	330,664	355,296	368,640
Private Households	121,174	129,031	127,132	142,682	152,286
Business Services	1,414,582	1,811,863	2,104,824	2,705,550	2,646,545
Auto Repair, Services, and Parking	330,780	389,566	406,946	421,372	471,556
Miscellaneous Repair Services	181,418	222,929	208,204	217,892	219,820
Amusement and Recreation Services	280,716	332,544	366,460	417,322	471,208
Motion Pictures	61,902	76,457	86,293	89,590	92,605
Health Services	3,149,309	3,626,802	4,123,350	4,698,262	4,966,659
Legal Services	558,558	624,446	668,971	724,148	743,514
Educational Services	296,508	324,660	357,695	399,800	446,968
Social Services ⁵	367,898	436,506	526,978	611,737	678,490
Museums, Botanical, Zoological Gardens	10,559	11,554	13,092	14,948	15,338
Membership Organizations	543,815	586,911	661,327	717,411	765,686
Engineering and Management Services ⁶	1,344,155	1,545,183	2,110,877	2,257,247	2,442,676
Miscellaneous Services	12,438	17,457	21,739	24,723	26,126
Government and Government Enterprises	10,271,214	11,207,920	12,273,070	13,225,456	13,817,123
Federal, Civilian	2,054,495	2,211,211	2,350,755	2,448,376	2,543,913
Military	1,384,350	1,489,154	1,557,360	1,652,214	1,642,710
State and Local	6,832,369	7,507,555	8,364,955	9,124,866	9,630,500
State	2,392,721	2,593,909	2,933,143	3,159,500	3,274,871
Local	4,439,648	4,913,646	5,431,812	5,965,366	6,355,629

See Footnotes at end of Table

TABLE 5.2

Washington Wage and Salary Disbursements ¹ (Dollars in Thousands)

	1994	1995
Wage and Salary Disbursements by Place of Work	71,633,774	71,591,321
Farm Wage and Salary Disbursements	553,456	641,539
Nonfarm Wage and Salary Disbursements	67,080,318	70,949,782
Private Wage and Salary Disbursements	52,853,940	56,089,222
Ag. Services, Forestry, Fisheries and Other ²	669,097	708,634
Agricultural Services	426,225	451,422
Forestry, Fisheries, and Other ²	242,872	257,212
Forestry	44,848	50,486
Fisheries	198,024	206,726
Other ²	0	0
Mining	137,209	141,979
Metal Mining	34,937	(D)
Coal Mining	(D)	(D)
Oil and Gas Extraction	(D)	2,175
Nonmetallic Minerals, Except Fuels	66,843	75,284
Construction	3,837,531	3,952,433
General Building Contractors	1,033,035	1,057,591
Heavy Construction Contractors	706,462	715,026
Special Trade Contractors	2,098,034	2,179,816
Manufacturing	12,319,310	12,627,195
Durable Goods	9,022,998	9,162,934
Lumber and Wood Products	(D)	(D)
Furniture and Fixtures	87,150	91,445
Stone, Clay, and Glass Products	270,402	276,965
Primary Metal Industries	412,026	446,915
Fabricated Metal Products	380,265	407,654
Industrial Machinery and Equipment	744,503	800,290
Electronic and Other Electric Equipment	363,449	444,244
Motor Vehicles and Equipment	188,531	214,511
Other Transportation Equipment	(D)	(D)
Instruments and Related Products	539,467	573,791
Miscellaneous Manufacturing Industries	185,884	210,481
Ordnance ³	(N)	(N)
Nondurable Goods	3,296,312	3,464,261
Food and Kindred Products	1,120,241	1,204,208
Tobacco Products	0	0
Textile Mill Products	31,810	29,876
Apparel and Other Textile Products	139,157	137,851
Paper and Allied Products	765,825	792,355
Printing and Publishing	665,131	699,563
Chemicals and Allied Products	233,686	242,838
Petroleum and Coal Products	115,146	115,938
Rubber and Misc. Plastics Products	216,294	232,971
Leather and Leather Products	9,022	8,661
Transportation and Public Utilities	4,023,656	4,294,444
Railroad Transportation	226,909	219,529
Trucking and Warehousing	894,676	966,513
Water Transportation	399,177	441,894
Other Transportation	991,881	1,027,417
Local and Interurban Passenger Transit	92,668	96,286
Transportation by Air	536,500	552,099
Pipelines, Except Natural Gas	5,033	5,281
Transportation Services	357,680	373,751
Communications	1,087,673	1,212,319
Electric, Gas, and Sanitary Services	423,340	426,772
Wholesale Trade	4,640,821	5,008,384
Retail Trade	7,073,522	7,446,963
Building Materials and Garden Equipment	461,392	488,645
General Merchandise Stores	744,019	814,147
Food Stores	1,179,830	1,258,096
Automotive Dealers and Service Stations	1,204,878	1,250,372

TABLE 5.2

Washington Wage and Salary Disbursements ¹ (Dollars in Thousands)

	1994	1995
Apparel and Accessory Stores	433,339	450,362
Home Furniture and Furnishings Stores	470,470	483,673
Eating and Drinking Places	1,736,615	1,808,555
Miscellaneous Retail	842,979	893,113
Finance, Insurance, and Real Estate	4,114,490	4,230,516
Depository and Nondepository Institutions ¹	410,986	1,396,301
Other Finance, Insurance, and Real Estate ²	2,703,504	2,834,215
Security and Commodity Brokers	432,405	462,020
Insurance Carriers	940,233	979,235
Insurance Agents, Brokers, and Services	498,106	526,926
Real Estate	679,784	703,703
Combined Real Estate, Insurance, Etc. ⁴	(N)	(N)
Holding and Other Investment offices	152,976	162,331
Services	16,038,304	17,678,674
Hotels and Other Lodging Places	412,845	436,608
Personal Services	376,679	389,012
Private Households	155,654	168,135
Business Services	3,163,155	4,029,448
Auto Repair, Services, and Parking	498,848	540,765
Miscellaneous Repair Services	205,074	219,393
Amusement and Recreation Services	516,362	590,857
Motion Pictures	109,781	115,398
Health Services	5,190,402	5,473,310
Legal Services	777,809	817,930
Educational Services	471,503	520,106
Social Services ⁵	740,613	808,060
Museums, Botanical, Zoological Gardens	17,324	18,444
Membership Organizations	812,495	847,783
Engineering and Management Services ⁶	2,558,802	2,660,076
Miscellaneous Services	30,958	43,349
Government and Government Enterprises	14,226,378	14,860,560
Federal, Civilian	2,608,541	2,667,147
Military	1,643,398	1,737,642
State and Local	9,974,439	10,455,771
State	3,295,940	3,437,475
Local	6,678,499	7,018,296

See Footnotes at end of Table

Footnotes for Table 5.2

¹ 1969-74 based on 1967 SIC. 1975-87 based on 1972 SIC. 1988-95 based on 1987 SIC.

² “Other” consists of the wage and salary disbursements of U.S. residents employed by international organizations and foreign embassies and consulates in the United States.

³ Under the 1972 standard industrial classification, ordnance was reclassified to four 2-digit industries: fabricated metal products; electronic equipment, except computer equipment; transportation equipment; and instruments and related products.

⁴ Under the 1987 standard industrial classification, combined real estate, insurance, etc., was reclassified to four 2-digit industries: nondepository credit institutions; insurance agents, brokers, and services; real estate; and legal services.

⁵ This category was new under the 1972 standard industrial classification; therefore estimates prior to 1975 do not exist.

⁶ This category is new under the 1987 standard industrial classification; therefore estimates prior to 1988 do not exist.

(D) Not shown to avoid disclosure of confidential information; estimates are included in totals.

(N) Data not available for this year.

TABLE 5.3
September 1996 Annual Personal Income Revisions
 Calendar Year 1995

United States	September 1996 Release	July 1996 Release	Absolute Revision	Percent Revision	Percent of Total Income
Total Personal Income	6,097,977,000	6,011,796,750	86,180,250	1.43	1.43
Wage and Salary Disbursements	3,423,330,000	3,418,688,500	4,641,500	0.14	0.08
Nonwage Personal Income	2,674,647,000	2,593,108,250	81,538,750	3.14	1.36
Other Labor Income	423,799,000	404,267,500	19,531,500	4.83	0.32
Proprietors' Income	468,786,000	486,656,000	-17,870,000	-3.67	-0.30
Farm	19,529,000	30,283,500	-10,754,500	-35.51	-0.18
Nonfarm	449,257,000	456,372,500	-7,115,500	-1.56	-0.12
Pers. Contr. for Social Ins.*	-294,013,000	-297,109,250	3,096,250	-1.04	0.05
Residence Adjustment	-873,000	-925,750	52,750	-5.70	0.00
Dividends/Int./Rent	1,054,107,000	981,525,750	72,581,250	7.39	1.21
Transfer Payments	1,022,841,000	1,018,694,250	4,146,750	0.41	0.07
State U.I. Benefits	21,115,000	20,383,750	731,250	3.59	0.01
Other Transfers	1,001,726,000	998,310,500	3,415,500	0.34	0.06
Washington	September 1996 Release	July 1996 Release	Absolute Revision	Percent Revision	Percent of Total Income
Total Personal Income	129,117,110	128,908,250	208,860	0.16	0.16
Wage and Salary Disbursements	71,591,321	71,997,000	-405,679	-0.56	-0.31
Nonwage Personal Income	57,525,789	56,911,250	614,539	1.08	0.48
Other Labor Income	8,025,065	7,560,000	465,065	6.15	0.36
Proprietors' Income	11,432,639	12,810,500	-1,377,861	-10.76	-1.07
Farm	573,542	1,422,750	-849,208	-59.69	-0.66
Nonfarm	10,859,097	11,387,750	-528,653	-4.64	-0.41
Pers. Contr. for Social Ins.*	-6,542,429	-5,888,750	-653,679	11.10	-0.51
Residence Adjustment	1,421,729	1,369,500	52,229	3.81	0.04
Dividends/Int./Rent	22,127,623	20,566,500	1,561,123	7.59	1.21
Transfer Payments	21,061,162	20,494,250	566,912	2.77	0.44
State U.I. Benefits	870,825	817,500	53,325	6.52	0.04
Other Transfers	20,190,337	19,676,750	513,587	2.61	0.40

* Because personal contributions for social insurance are deductions from personal income, they are expressed as negative amounts.

September 1996 Personal Income Revisions

CHART 5.1

Total Personal Income

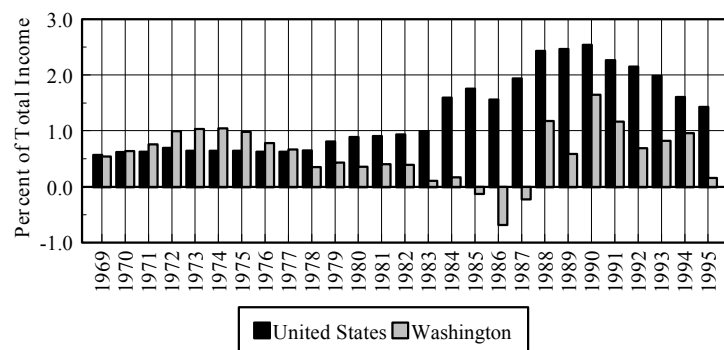


CHART 5.2

Wage and Salary Disbursements

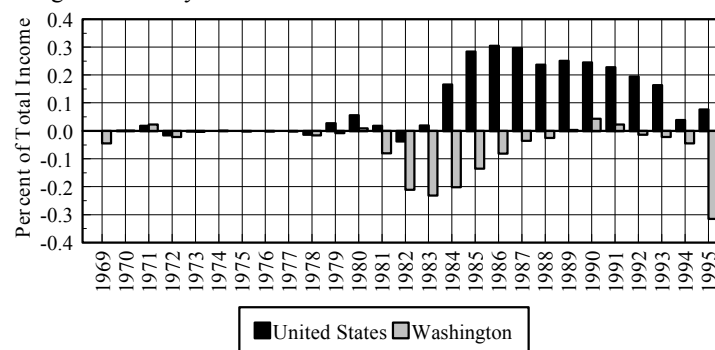


CHART 5.3

Other Labor Income

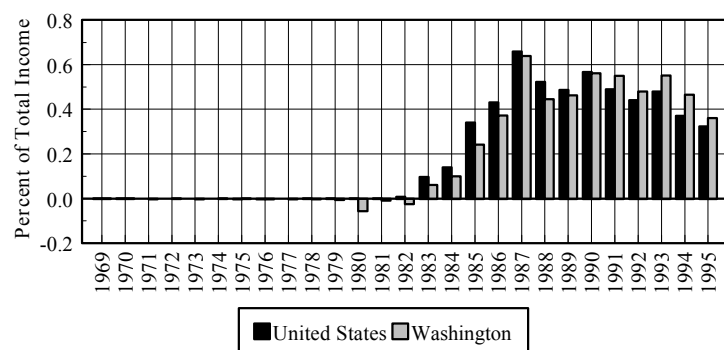
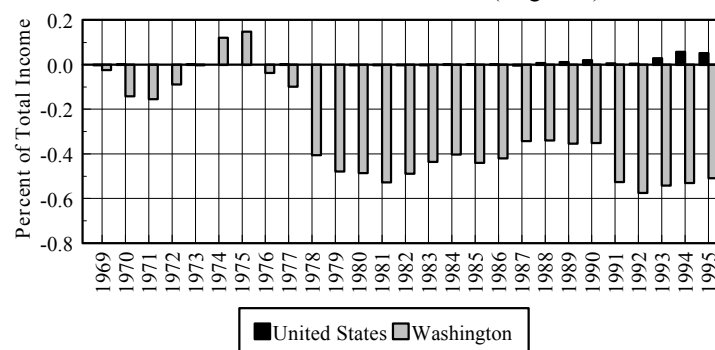


CHART 5.4

Personal Contributions for Social Insurance (Negative)



September 1996 Personal Income Revisions

CHART 5.5
Residence Adjustment

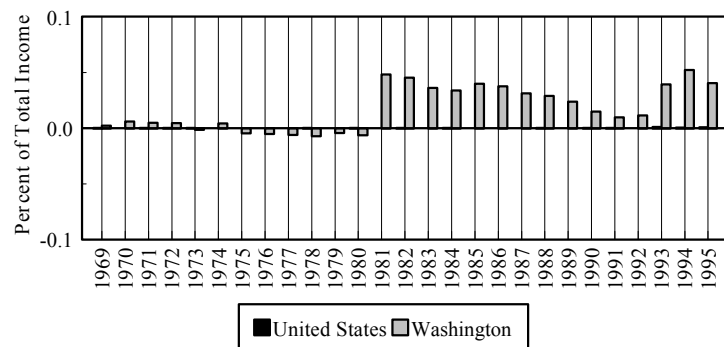


CHART 5.6
Proprietors' Income

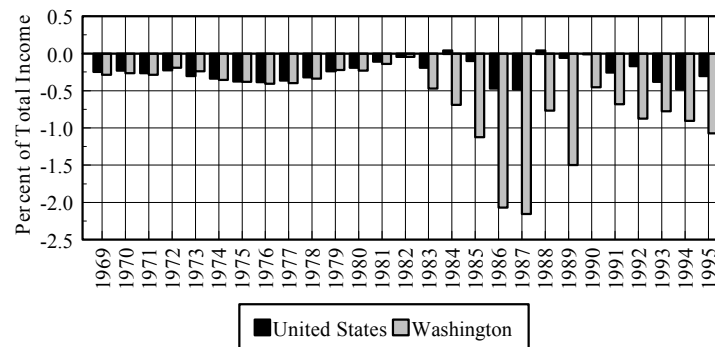


CHART 5.7
Farm Proprietors' Income

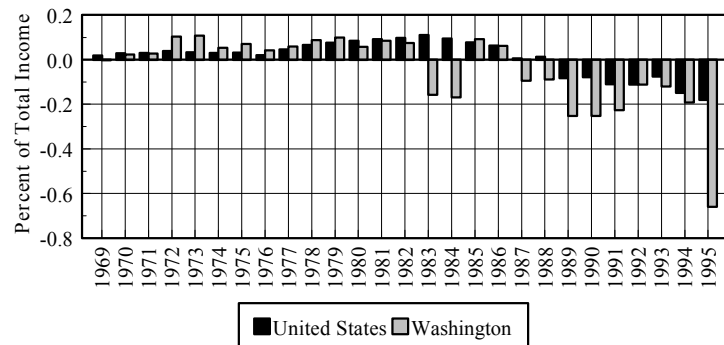
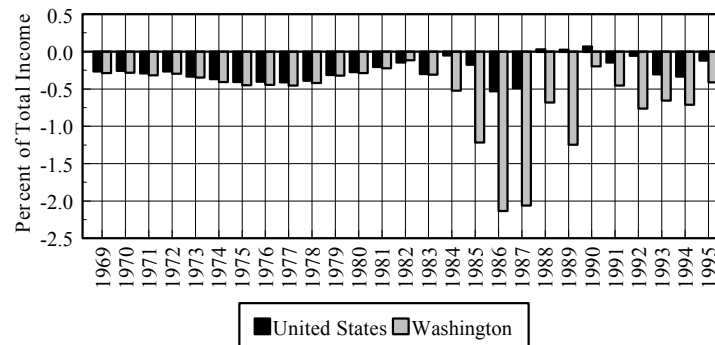


CHART 5.8
Nonfarm Proprietors' Income



September 1996 Personal Income Revisions

CHART 5.9

Dividends, Interest, and Rent

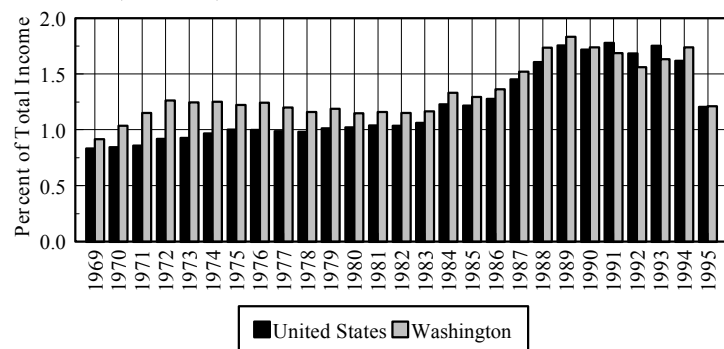


CHART 5.10

Transfer Payments

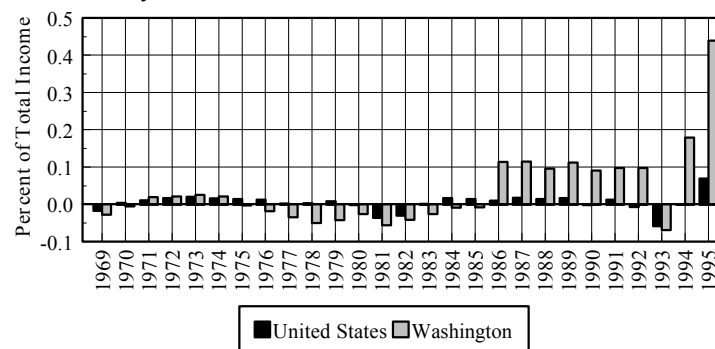


CHART 5.11

State Unemployment Insurance Compensation

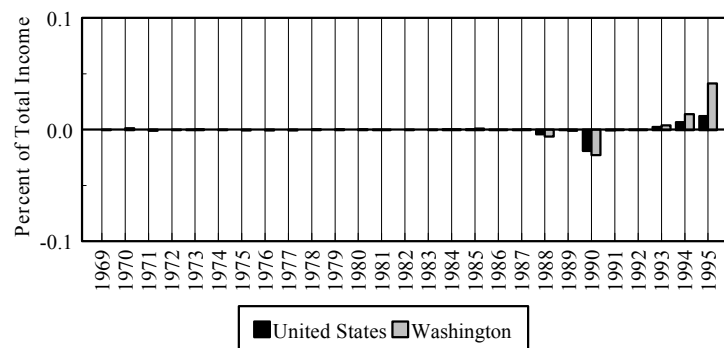
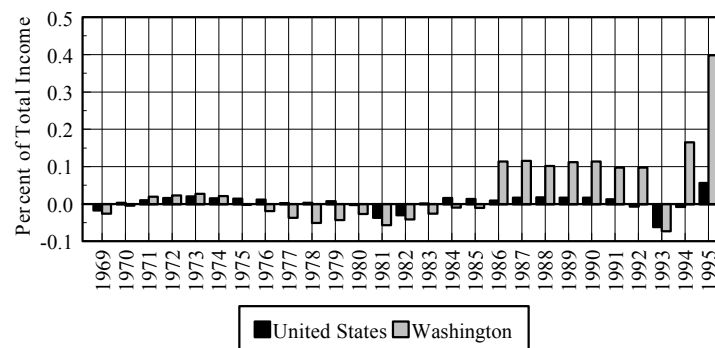


CHART 5.12

Other Transfer Payments



Real Per Capita Personal Income

CHART 5.13

July 1996 Release

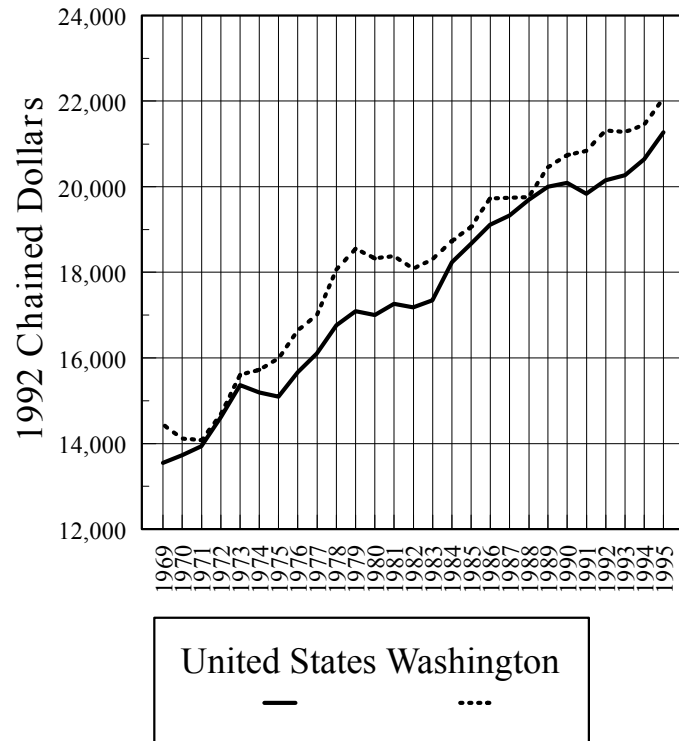
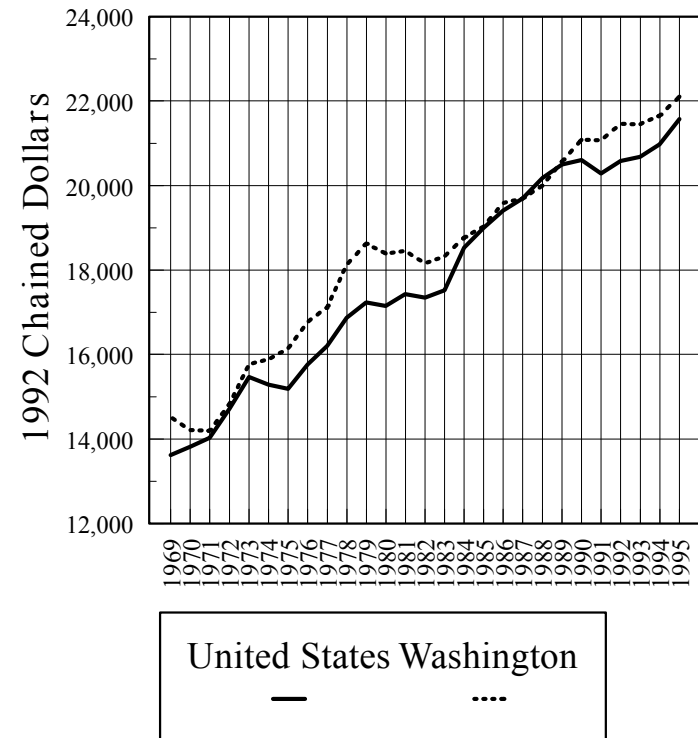


CHART 5.14

September 1996 Release



**Detail Components of the
Washington Economic Forecast
Calendar Years**

TABLE 1.1

U.S. Economic Forecast Summary

Forecast 1996 to 1999

	1992	1993	1994	1995	1996	1997	1998	1999
Real National Income Accounts (Billions of 1992 Chained Dollars)								
Real Gross Domestic Product	6244.4	6386.4	6608.7	6742.9	6899.5	7040.4	7194.5	7357.4
% Ch	2.7	2.3	3.5	2.0	2.3	2.0	2.2	2.3
Real Consumption	4219.8	4339.5	4473.1	4577.8	4702.9	4821.4	4935.1	5041.4
% Ch	2.8	2.8	3.1	2.3	2.7	2.5	2.4	2.2
Real Nonresidential Fixed Investment	557.9	593.7	652.1	714.3	752.0	781.1	816.3	843.6
% Ch	1.9	6.4	9.8	9.5	5.3	3.9	4.5	3.4
Real Residential Fixed Investment	225.6	242.7	269.0	262.7	279.4	270.8	274.2	283.2
% Ch	16.6	7.6	10.8	-2.3	6.3	-3.1	1.3	3.3
Real Personal Income	5263.8	5338.3	5473.4	5684.2	5862.9	5999.1	6100.6	6218.5
% Ch	2.6	1.4	2.5	3.9	3.1	2.3	1.7	1.9
Real Per Capita Income (\$/Person)	20,580	20,656	20,967	21,565	22,035	22,342	22,519	22,755
% Ch	1.5	0.4	1.5	2.9	2.2	1.4	0.8	1.0
Price and Wage Indexes								
U.S. Implicit Price Deflator (Chain-Wt., 1992= 1.0)	1.000	1.027	1.051	1.076	1.099	1.127	1.157	1.189
% Ch	3.3	2.7	2.4	2.4	2.2	2.5	2.7	2.7
U.S. Consumer Price Index (1982-84= 1.0)	1.404	1.446	1.483	1.525	1.569	1.613	1.660	1.709
% Ch	3.0	3.0	2.6	2.8	2.9	2.8	2.9	2.9
Employment Cost Index (June 1989= 1.0)	1.119	1.152	1.185	1.219	1.262	1.305	1.345	1.386
% Ch	2.9	2.9	2.9	2.9	3.5	3.4	3.1	3.0
Current Dollar National Income (Billions of Dollars)								
Gross Domestic Product	6244.4	6553.0	6935.7	7253.8	7578.0	7907.4	8270.3	8664.5
% Ch	5.5	4.9	5.8	4.6	4.5	4.3	4.6	4.8
Personal Income	5264.2	5480.1	5753.1	6115.1	6443.4	6759.1	7059.7	7392.6
% Ch	6.0	4.1	5.0	6.3	5.4	4.9	4.4	4.7
Employment (Millions)								
U.S. Civilian Labor Force	128.1	129.2	131.0	132.3	134.0	135.7	137.2	138.7
Total U.S. Employment	118.5	120.3	123.1	124.9	126.7	128.3	129.5	130.9
Unemployment Rate (%)	7.49	6.91	6.10	5.59	5.43	5.48	5.60	5.61
Wage and Salary Employment	108.59	110.73	114.15	117.20	119.54	121.37	123.17	125.21
% Ch	0.3	2.0	3.1	2.7	2.0	1.5	1.5	1.7
Manufacturing	18.11	18.08	18.32	18.47	18.29	18.17	18.09	18.20
% Ch	-1.6	-0.2	1.4	0.8	-1.0	-0.7	-0.4	0.6
Durable Manufacturing	10.28	10.22	10.45	10.65	10.68	10.57	10.48	10.55
% Ch	-2.7	-0.5	2.2	2.0	0.2	-1.0	-0.8	0.6
Nondurable Manufacturing	7.83	7.85	7.87	7.82	7.61	7.59	7.61	7.65
% Ch	-0.1	0.4	0.3	-0.7	-2.6	-0.2	0.2	0.5
Nonmanufacturing	90.49	92.65	95.83	98.73	101.25	103.20	105.08	107.01
% Ch	0.7	2.4	3.4	3.0	2.5	1.9	1.8	1.8
Services	29.05	30.19	31.57	33.10	34.34	35.46	36.55	37.65
% Ch	2.5	3.9	4.6	4.8	3.8	3.2	3.1	3.0
Miscellaneous Indicators								
Auto Sales (Millions)	8.2	8.5	9.0	8.7	8.7	8.5	8.5	8.6
% Ch	0.4	3.7	5.5	-3.5	0.8	-2.7	0.2	1.3
Housing Starts (Millions)	1.201	1.292	1.446	1.358	1.458	1.291	1.314	1.376
% Ch	19.1	7.5	12.0	-6.1	7.4	-11.5	1.7	4.7
Federal Budget Surplus (Billions)	-280.9	-255.6	-190.2	-161.7	-137.4	-143.6	-120.8	-112.6
Net Exports (Billions)	-29.6	-62.7	-94.4	-94.7	-102.9	-117.6	-106.6	-98.3
3-Month Treasury Bill Rate (%)	3.43	3.00	4.25	5.49	5.07	5.41	5.32	5.20
30-Year U.S. Govt. Bond Rate (%)	7.67	6.60	7.37	6.88	6.77	6.94	6.89	6.66
Mortgage Rate (%)	8.40	7.33	8.36	7.96	7.93	8.25	8.20	7.98

TABLE 1.2

U.S. Economic Forecast Summary
 Forecast 1996 to 1999

	1994:1	1994:2	1994:3	1994:4	1995:1	1995:2	1995:3	1995:4
Real National Income Accounts (Billions of 1992 Chained Dollars)								
Real Gross Domestic Product	6508.5	6587.6	6644.9	6693.9	6701.0	6713.5	6776.4	6780.7
% Ch	2.5	5.0	3.5	3.0	0.4	0.7	3.8	0.3
Real Consumption	4420.5	4458.7	4489.4	4524.0	4534.8	4569.9	4597.3	4609.4
% Ch	2.8	3.5	2.8	3.1	1.0	3.1	2.4	1.1
Real Nonresidential Fixed Investment	628.5	639.5	660.5	679.7	704.4	710.5	719.0	723.3
% Ch	7.2	7.2	13.8	12.1	15.3	3.5	4.9	2.4
Real Residential Fixed Investment	263.6	271.6	270.3	270.3	265.9	256.5	262.2	266.3
% Ch	12.8	12.7	-1.9	0.0	-6.4	-13.4	9.2	6.4
Real Personal Income	5343.3	5481.5	5505.4	5563.3	5627.5	5650.6	5702.1	5756.7
% Ch	-5.6	10.7	1.8	4.3	4.7	1.7	3.7	3.9
Real Per Capita Income (\$/Person)	20,546	21,025	21,065	21,234	21,427	21,464	21,608	21,763
% Ch	-6.5	9.7	0.8	3.3	3.7	0.7	2.7	2.9
Price and Wage Indexes								
U.S. Implicit Price Deflator (Chain-Wt., 1992= 1.0)	1.041	1.047	1.055	1.061	1.067	1.075	1.078	1.083
% Ch	2.3	2.3	3.1	2.3	2.3	3.0	1.1	1.9
U.S. Consumer Price Index (1982-84= 1.0)	1.467	1.477	1.490	1.499	1.509	1.522	1.530	1.539
% Ch	2.0	2.6	3.8	2.3	2.9	3.4	2.0	2.4
Employment Cost Index (June 1989= 1.0)	1.172	1.181	1.190	1.197	1.206	1.215	1.224	1.232
% Ch	2.4	3.1	3.1	2.4	3.0	3.0	3.0	2.6
Current Dollar National Income (Billions of Dollars)								
Gross Domestic Product	6776.0	6890.5	6993.1	7083.2	7149.8	7204.9	7309.8	7350.6
% Ch	5.3	6.9	6.1	5.3	3.8	3.1	6.0	2.3
Personal Income	5562.4	5739.1	5808.2	5902.7	6004.5	6074.4	6146.9	6234.5
% Ch	-3.4	13.3	4.9	6.7	7.1	4.7	4.9	5.8
Employment (Millions)								
U.S. Civilian Labor Force	130.6	130.7	131.1	131.7	132.2	132.2	132.4	132.4
Total U.S. Employment	122.0	122.6	123.3	124.4	124.9	124.7	124.9	125.1
Unemployment Rate (%)	6.63	6.20	6.00	5.57	5.53	5.63	5.63	5.57
Wage and Salary Employment	112.62	113.69	114.69	115.61	116.48	116.96	117.44	117.93
% Ch	2.9	3.8	3.6	3.3	3.1	1.6	1.7	1.7
Manufacturing	18.17	18.27	18.37	18.47	18.55	18.52	18.43	18.37
% Ch	1.6	2.2	2.3	2.2	1.7	-0.7	-1.9	-1.5
Durable Manufacturing	10.32	10.40	10.49	10.58	10.65	10.67	10.65	10.64
% Ch	2.8	3.3	3.4	3.5	2.9	0.5	-0.7	-0.3
Nondurable Manufacturing	7.85	7.87	7.88	7.90	7.90	7.86	7.78	7.72
% Ch	0.1	0.8	0.9	0.5	0.2	-2.2	-3.6	-3.1
Nonmanufacturing	94.46	95.42	96.32	97.14	97.93	98.43	99.01	99.56
% Ch	3.1	4.1	3.8	3.5	3.3	2.1	2.4	2.3
Services	30.91	31.36	31.81	32.21	32.64	32.95	33.25	33.56
% Ch	3.6	5.9	5.9	5.2	5.5	3.8	3.7	3.7
Miscellaneous Indicators								
Auto Sales (Millions)	9.1	9.0	9.0	8.9	8.6	8.5	8.9	8.7
% Ch	12.6	-4.0	3.1	-5.6	-14.4	-2.1	21.8	-12.4
Housing Starts (Millions)	1.380	1.466	1.456	1.482	1.311	1.293	1.417	1.411
% Ch	-14.1	27.3	-2.8	7.3	-38.8	-5.4	44.4	-1.7
Federal Budget Surplus (Billions)	-212.7	-169.6	-188.5	-190.1	-172.6	-161.1	-158.5	-154.5
Net Exports (Billions)	-78.8	-93.0	-107.0	-98.7	-108.7	-115.3	-87.6	-67.2
3-Month Treasury Bill Rate (%)	3.24	3.99	4.48	5.28	5.74	5.60	5.37	5.26
30-Year U.S. Govt. Bond Rate (%)	6.56	7.36	7.59	7.96	7.64	6.96	6.71	6.23
Mortgage Rate (%)	7.30	8.44	8.59	9.10	8.81	7.95	7.70	7.35

TABLE 1.2

U.S. Economic Forecast Summary
 Forecast 1996 to 1999

	1996:1	1996:2	1996:3	1996:4	1997:1	1997:2	1997:3	1997:4
Real National Income Accounts (Billions of 1992 Chained Dollars)								
Real Gross Domestic Product	6814.3	6885.1	6930.1	6968.6	6995.4	7018.1	7058.0	7090.2
% Ch	2.0	4.2	2.6	2.2	1.6	1.3	2.3	1.8
Real Consumption	4649.1	4692.0	4719.4	4751.1	4781.0	4802.8	4835.7	4866.1
% Ch	3.5	3.7	2.4	2.7	2.5	1.8	2.8	2.5
Real Nonresidential Fixed Investment	743.5	744.5	756.8	763.4	767.9	776.3	784.4	795.8
% Ch	11.6	0.5	6.8	3.5	2.4	4.4	4.2	5.9
Real Residential Fixed Investment	271.1	280.8	284.1	281.6	275.5	269.6	268.6	269.3
% Ch	7.4	15.1	4.7	-3.4	-8.4	-8.3	-1.6	1.2
Real Personal Income	5792.9	5849.7	5889.3	5919.6	5965.7	5986.9	6010.2	6033.7
% Ch	2.5	4.0	2.7	2.1	3.2	1.4	1.6	1.6
Real Per Capita Income (\$/Person)	21,848	22,011	22,109	22,171	22,293	22,322	22,358	22,395
% Ch	1.6	3.0	1.8	1.1	2.2	0.5	0.7	0.7
Price and Wage Indexes								
U.S. Implicit Price Deflator (Chain-Wt., 1992= 1.0)	1.089	1.096	1.102	1.109	1.116	1.123	1.130	1.138
% Ch	2.2	2.6	2.3	2.4	2.6	2.6	2.6	2.7
U.S. Consumer Price Index (1982-84= 1.0)	1.551	1.566	1.575	1.585	1.597	1.608	1.619	1.630
% Ch	3.2	3.8	2.4	2.6	2.9	2.8	2.8	2.8
Employment Cost Index (June 1989= 1.0)	1.245	1.256	1.267	1.279	1.289	1.299	1.310	1.320
% Ch	4.3	3.6	3.4	3.9	3.4	3.2	3.2	3.3
Current Dollar National Income (Billions of Dollars)								
Gross Domestic Product	7426.8	7538.1	7632.7	7714.4	7791.4	7860.1	7948.8	8029.3
% Ch	4.2	6.1	5.1	4.4	4.0	3.6	4.6	4.1
Personal Income	6308.5	6411.3	6491.1	6562.6	6656.5	6722.5	6792.8	6864.4
% Ch	4.8	6.7	5.1	4.5	5.8	4.0	4.3	4.3
Employment (Millions)								
U.S. Civilian Labor Force	133.2	133.6	134.3	134.8	135.2	135.5	135.9	136.2
Total U.S. Employment	125.7	126.4	127.1	127.6	127.9	128.1	128.4	128.6
Unemployment Rate (%)	5.63	5.43	5.34	5.32	5.37	5.46	5.51	5.57
Wage and Salary Employment	118.46	119.27	119.93	120.49	120.82	121.21	121.54	121.89
% Ch	1.8	2.8	2.2	1.9	1.1	1.3	1.1	1.2
Manufacturing	18.31	18.29	18.27	18.27	18.23	18.19	18.15	18.09
% Ch	-1.3	-0.3	-0.4	-0.0	-0.9	-1.0	-0.8	-1.2
Durable Manufacturing	10.64	10.68	10.69	10.69	10.65	10.59	10.55	10.49
% Ch	-0.0	1.3	0.6	0.1	-1.7	-2.1	-1.7	-2.0
Nondurable Manufacturing	7.67	7.62	7.58	7.58	7.58	7.59	7.60	7.60
% Ch	-3.0	-2.4	-1.9	-0.2	0.3	0.6	0.4	-0.1
Nonmanufacturing	100.15	100.98	101.65	102.22	102.59	103.02	103.39	103.80
% Ch	2.4	3.3	2.7	2.3	1.5	1.7	1.4	1.6
Services	33.88	34.25	34.45	34.80	35.06	35.33	35.58	35.85
% Ch	3.9	4.5	2.4	4.1	3.1	3.1	2.8	3.1
Miscellaneous Indicators								
Auto Sales (Millions)	8.6	8.8	8.8	8.8	8.6	8.5	8.5	8.4
% Ch	-1.3	7.1	1.3	-2.1	-7.5	-3.8	-1.6	-1.6
Housing Starts (Millions)	1.469	1.484	1.470	1.411	1.323	1.275	1.277	1.290
% Ch	17.3	4.2	-3.7	-15.1	-22.8	-13.5	0.4	4.1
Federal Budget Surplus (Billions)	-155.2	-133.7	-135.5	-125.0	-143.6	-133.8	-151.7	-145.2
Net Exports (Billions)	-86.3	-105.0	-108.2	-112.0	-117.3	-120.9	-119.6	-112.6
3-Month Treasury Bill Rate (%)	4.93	5.02	5.13	5.19	5.38	5.43	5.41	5.41
30-Year U.S. Govt. Bond Rate (%)	6.30	6.93	6.92	6.93	7.04	6.87	6.90	6.95
Mortgage Rate (%)	7.24	8.11	8.14	8.23	8.31	8.24	8.21	8.25

TABLE 1.2

U.S. Economic Forecast Summary
 Forecast 1996 to 1999

	1998:1	1998:2	1998:3	1998:4	1999:1	1999:2	1999:3	1999:4
Real National Income Accounts (Billions of 1992 Chained Dollars)								
Real Gross Domestic Product	7136.0	7175.3	7213.7	7253.1	7293.1	7336.5	7381.2	7418.7
% Ch	2.6	2.2	2.2	2.2	2.2	2.4	2.5	2.0
Real Consumption	4896.6	4921.4	4947.6	4974.7	5003.9	5028.0	5053.9	5079.6
% Ch	2.5	2.0	2.1	2.2	2.4	1.9	2.1	2.1
Real Nonresidential Fixed Investment	806.4	814.6	820.2	824.0	826.5	836.3	849.8	862.0
% Ch	5.4	4.1	2.8	1.8	1.2	4.8	6.6	5.9
Real Residential Fixed Investment	272.1	273.6	274.8	276.4	279.8	282.4	284.7	285.9
% Ch	4.2	2.3	1.7	2.4	5.0	3.8	3.3	1.6
Real Personal Income	6066.2	6089.2	6112.9	6134.2	6177.2	6205.6	6234.0	6257.0
% Ch	2.2	1.5	1.6	1.4	2.8	1.9	1.8	1.5
Real Per Capita Income (\$/Person)	22,466	22,501	22,539	22,568	22,677	22,732	22,787	22,822
% Ch	1.3	0.6	0.7	0.5	1.9	1.0	1.0	0.6
Price and Wage Indexes								
U.S. Implicit Price Deflator (Chain-Wt., 1992= 1.0)	1.145	1.153	1.161	1.169	1.176	1.184	1.193	1.201
% Ch	2.8	2.7	2.7	2.7	2.6	2.8	2.9	2.9
U.S. Consumer Price Index (1982-84= 1.0)	1.642	1.654	1.666	1.678	1.689	1.702	1.715	1.728
% Ch	3.0	2.9	2.9	2.9	2.7	2.9	3.1	3.2
Employment Cost Index (June 1989= 1.0)	1.330	1.340	1.351	1.361	1.371	1.381	1.391	1.402
% Ch	3.0	3.1	3.1	3.0	3.1	3.0	3.1	3.1
Current Dollar National Income (Billions of Dollars)								
Gross Domestic Product	8132.5	8224.2	8315.9	8408.7	8512.5	8612.2	8717.2	8816.3
% Ch	5.2	4.6	4.5	4.5	5.0	4.8	5.0	4.6
Personal Income	6948.8	7022.3	7097.5	7170.0	7266.9	7350.1	7436.1	7517.5
% Ch	5.0	4.3	4.4	4.1	5.5	4.7	4.8	4.4
Employment (Millions)								
U.S. Civilian Labor Force	136.6	137.0	137.4	137.8	138.2	138.5	138.9	139.3
Total U.S. Employment	128.9	129.3	129.7	130.0	130.4	130.8	131.1	131.5
Unemployment Rate (%)	5.59	5.59	5.60	5.62	5.63	5.62	5.60	5.59
Wage and Salary Employment	122.42	122.95	123.43	123.88	124.34	124.88	125.51	126.11
% Ch	1.7	1.8	1.6	1.4	1.5	1.7	2.1	1.9
Manufacturing	18.07	18.08	18.11	18.12	18.14	18.18	18.22	18.26
% Ch	-0.5	0.2	0.6	0.3	0.4	0.8	1.0	0.8
Durable Manufacturing	10.47	10.48	10.49	10.50	10.50	10.53	10.57	10.60
% Ch	-0.9	0.2	0.5	0.2	0.3	1.1	1.4	1.1
Nondurable Manufacturing	7.60	7.60	7.62	7.63	7.63	7.64	7.65	7.66
% Ch	0.0	0.2	0.6	0.5	0.5	0.4	0.5	0.3
Nonmanufacturing	104.35	104.87	105.33	105.76	106.21	106.70	107.29	107.85
% Ch	2.1	2.0	1.7	1.6	1.7	1.9	2.2	2.1
Services	36.13	36.41	36.69	36.96	37.23	37.50	37.79	38.09
% Ch	3.1	3.2	3.1	3.0	2.9	3.0	3.1	3.2
Miscellaneous Indicators								
Auto Sales (Millions)	8.5	8.5	8.5	8.6	8.6	8.6	8.6	8.6
% Ch	0.6	2.5	1.8	1.0	2.3	0.5	0.3	-0.3
Housing Starts (Millions)	1.303	1.306	1.312	1.333	1.358	1.374	1.383	1.388
% Ch	4.4	0.9	1.6	6.7	7.6	4.9	2.7	1.3
Federal Budget Surplus (Billions)	-136.3	-121.0	-116.4	-109.3	-123.9	-114.3	-110.5	-101.8
Net Exports (Billions)	-108.6	-109.4	-108.4	-100.0	-95.4	-98.8	-102.5	-96.7
3-Month Treasury Bill Rate (%)	5.40	5.40	5.29	5.20	5.20	5.20	5.20	5.20
30-Year U.S. Govt. Bond Rate (%)	6.96	6.95	6.88	6.76	6.69	6.66	6.64	6.63
Mortgage Rate (%)	8.26	8.26	8.20	8.09	8.02	7.98	7.97	7.96

TABLE 1.3

Washington Economic Forecast Summary
 Forecast 1996 to 1999

	1992	1993	1994	1995	1996	1997	1998	1999
Real Income (Billions of 1992 Chained Dollars)								
Real Personal Income	109.685	111.870	114.590	119.414	123.526	127.523	131.407	135.670
% Ch	4.9	2.0	2.4	4.2	3.4	3.2	3.0	3.2
Real Wage and Salary Disb.	62.923	62.964	64.399	66.513	69.059	71.406	73.518	75.868
% Ch	5.1	0.1	2.3	3.3	3.8	3.4	3.0	3.2
Real Nonwage Income	46.762	48.906	50.191	52.902	54.467	56.117	57.889	59.802
% Ch	4.7	4.6	2.6	5.4	3.0	3.0	3.2	3.3
Real Per Capita Income (\$/Person)	21,241	21,203	21,337	21,860	22,255	22,583	22,819	23,079
% Ch	2.5	-0.2	0.6	2.5	1.8	1.5	1.0	1.1
Price and Wage Indexes								
U.S. Implicit Price Deflator (Chain-Wt., 1992= 1.0)	1.000	1.027	1.051	1.076	1.099	1.127	1.157	1.189
% Ch	3.3	2.7	2.4	2.4	2.2	2.5	2.7	2.7
Seattle Cons. Price Index (1982-84= 1.0)	1.390	1.429	1.478	1.523	1.566	1.612	1.664	1.719
% Ch	3.7	2.8	3.4	3.0	2.9	2.9	3.2	3.3
Avg. Hourly Earnings-Mfg. (\$/Hour)	13.78	14.01	14.20	14.80	14.63	14.97	15.28	15.61
% Ch	3.3	1.7	1.4	4.3	-1.2	2.3	2.1	2.1
Current Dollar Income (Billions of Dollars)								
Nonfarm Personal Income	108.631	113.543	119.568	127.044	134.039	142.094	150.486	159.666
% Ch	8.3	4.5	5.3	6.3	5.5	6.0	5.9	6.1
Personal Income	109.702	114.842	120.444	128.467	135.756	143.680	152.069	161.292
% Ch	8.4	4.7	4.9	6.7	5.7	5.8	5.8	6.1
Disposable Personal Income	96.145	100.385	105.131	111.780	117.704	125.055	132.521	140.572
% Ch	8.7	4.4	4.7	6.3	5.3	6.2	6.0	6.1
Per Capita Income (\$/Person)	21,244	21,766	22,427	23,517	24,457	25,444	26,406	27,436
% Ch	5.9	2.5	3.0	4.9	4.0	4.0	3.8	3.9
Employment (Thousands)								
Washington Civilian Labor Force	2648.2	2701.2	2707.2	2805.4	2887.6	2968.8	3041.3	3117.7
Total Washington Employment	2446.4	2495.3	2533.9	2626.3	2715.8	2801.3	2872.6	2946.8
Unemployment Rate (%)	7.61	7.62	6.40	6.38	5.95	5.64	5.55	5.48
Wage and Salary Employment	2221.9	2251.7	2304.1	2345.6	2403.9	2470.5	2538.2	2608.8
% Ch	2.0	1.3	2.3	1.8	2.5	2.8	2.7	2.8
Manufacturing	347.2	340.8	336.9	331.4	345.2	360.4	369.3	377.9
% Ch	-1.3	-1.8	-1.1	-1.6	4.2	4.4	2.5	2.3
Durable Manufacturing	245.6	237.4	230.6	223.7	233.9	246.4	253.3	259.5
% Ch	-2.4	-3.4	-2.9	-3.0	4.6	5.4	2.8	2.4
Aerospace	111.9	102.7	91.8	80.2	85.0	94.3	98.5	100.6
% Ch	-3.2	-8.2	-10.6	-12.7	5.9	11.0	4.5	2.1
Nondurable Manufacturing	101.6	103.4	106.3	107.8	111.4	113.9	116.0	118.5
% Ch	1.4	1.8	2.8	1.4	3.3	2.3	1.8	2.1
Nonmanufacturing	1874.7	1910.9	1967.2	2014.1	2058.7	2110.1	2168.9	2230.8
% Ch	2.7	1.9	2.9	2.4	2.2	2.5	2.8	2.9
Construction	119.2	119.1	123.0	121.2	122.2	122.0	123.5	125.3
% Ch	0.9	-0.1	3.3	-1.4	0.8	-0.2	1.2	1.5
Services	557.8	576.7	598.0	621.4	648.5	676.9	704.5	733.1
% Ch	4.1	3.4	3.7	3.9	4.4	4.4	4.1	4.1
Housing Indicators								
Housing Units Authorized (Thousands)	39.682	41.342	44.034	38.160	42.906	41.145	44.151	46.121
% Ch	20.2	4.2	6.5	-13.3	12.4	-4.1	7.3	4.5
Mortgage Rate (%)	8.40	7.33	8.36	7.96	7.93	8.25	8.20	7.98

TABLE 1.4

Washington Economic Forecast Summary
 Forecast 1996 to 1999

	1994:1	1994:2	1994:3	1994:4	1995:1	1995:2	1995:3	1995:4
Real Income (Billions of 1992 Chained Dollars)								
Real Personal Income	112.614	114.548	114.539	116.659	117.675	119.024	120.509	120.450
% Ch	-3.0	7.0	-0.0	7.6	3.5	4.7	5.1	-0.2
Real Wage and Salary Disb.	63.423	64.606	64.164	65.402	65.453	66.399	67.421	66.778
% Ch	0.4	7.7	-2.7	7.9	0.3	5.9	6.3	-3.8
Real Nonwage Income	49.191	49.943	50.375	51.256	52.222	52.625	53.088	53.671
% Ch	-7.1	6.3	3.5	7.2	7.8	3.1	3.6	4.5
Real Per Capita Income (\$/Person)	21,111	21,378	21,281	21,579	21,672	21,833	22,017	21,920
% Ch	-4.7	5.2	-1.8	5.7	1.7	3.0	3.4	-1.8
Price and Wage Indexes								
U.S. Implicit Price Deflator (Chain-Wt., 1992= 1.0)	1.041	1.047	1.055	1.061	1.067	1.075	1.078	1.083
% Ch	2.3	2.3	3.1	2.3	2.3	3.0	1.1	1.9
Seattle Cons. Price Index (1982-84= 1.0)	1.457	1.471	1.487	1.497	1.506	1.518	1.527	1.539
% Ch	3.2	3.7	4.4	2.9	2.5	3.0	2.6	3.0
Avg. Hourly Earnings-Mfg. (\$/Hour)	14.04	14.09	14.21	14.46	15.03	15.06	15.19	13.94
% Ch	-3.1	1.4	3.4	7.1	16.8	0.7	3.5	-28.9
Current Dollar Income (Billions of Dollars)								
Nonfarm Personal Income	116.370	119.085	120.144	122.673	124.274	126.651	128.497	128.753
% Ch	2.6	9.7	3.6	8.7	5.3	7.9	6.0	0.8
Personal Income	117.231	119.932	120.839	123.775	125.559	127.951	129.909	130.447
% Ch	-0.7	9.5	3.1	10.1	5.9	7.8	6.3	1.7
Disposable Personal Income	102.360	104.451	105.624	108.088	109.458	111.068	113.036	113.558
% Ch	-0.6	8.4	4.6	9.7	5.2	6.0	7.3	1.9
Per Capita Income (\$/Person)	21,976	22,383	22,452	22,896	23,124	23,470	23,735	23,739
% Ch	-2.5	7.6	1.2	8.1	4.0	6.1	4.6	0.1
Employment (Thousands)								
Washington Civilian Labor Force	2703.3	2690.4	2704.6	2730.3	2781.1	2802.2	2815.1	2823.0
Total Washington Employment	2521.5	2514.6	2538.2	2561.4	2606.7	2622.3	2633.0	2643.1
Unemployment Rate (%)	6.73	6.53	6.15	6.19	6.27	6.42	6.47	6.37
Wage and Salary Employment	2282.5	2293.9	2313.0	2327.1	2339.0	2345.7	2352.3	2345.3
% Ch	1.6	2.0	3.4	2.5	2.1	1.2	1.1	-1.2
Manufacturing	336.2	335.7	337.0	338.7	339.8	336.9	332.4	316.7
% Ch	-2.1	-0.5	1.5	2.0	1.3	-3.3	-5.3	-17.6
Durable Manufacturing	231.0	229.6	230.3	231.4	232.1	229.2	224.6	208.7
% Ch	-4.1	-2.5	1.2	2.0	1.2	-4.8	-7.8	-25.5
Aerospace	94.3	91.7	90.9	90.4	89.4	86.6	80.5	64.3
% Ch	-14.1	-10.7	-3.2	-2.2	-4.5	-11.9	-25.4	-59.3
Nondurable Manufacturing	105.2	106.2	106.7	107.3	107.7	107.7	107.8	108.0
% Ch	2.7	3.9	2.1	2.0	1.6	0.1	0.2	0.8
Nonmanufacturing	1946.3	1958.2	1976.0	1988.4	1999.2	2008.7	2020.0	2028.6
% Ch	2.3	2.5	3.7	2.5	2.2	1.9	2.3	1.7
Construction	122.7	123.3	123.5	122.6	122.3	122.1	121.2	119.4
% Ch	-0.8	2.2	0.5	-2.9	-1.0	-0.6	-2.9	-5.6
Services	587.8	593.6	603.1	607.6	610.8	618.2	625.9	630.6
% Ch	2.4	3.9	6.6	3.0	2.2	4.9	5.1	3.0
Housing Indicators								
Housing Units Authorized (Thousands)	44.099	43.542	45.484	43.011	37.539	40.302	33.620	41.179
% Ch	-28.4	-5.0	19.1	-20.0	-42.0	32.9	-51.6	125.1
Mortgage Rate (%)	7.30	8.44	8.59	9.10	8.81	7.95	7.70	7.35

TABLE 1.4

Washington Economic Forecast Summary
 Forecast 1996 to 1999

	1996:1	1996:2	1996:3	1996:4	1997:1	1997:2	1997:3	1997:4
Real Income (Billions of 1992 Chained Dollars)								
Real Personal Income	122.571	122.706	123.917	124.911	126.176	127.031	127.952	128.932
% Ch	7.2	0.4	4.0	3.2	4.1	2.7	2.9	3.1
Real Wage and Salary Disb.	68.340	68.473	69.354	70.071	70.650	71.125	71.636	72.213
% Ch	9.7	0.8	5.2	4.2	3.3	2.7	2.9	3.3
Real Nonwage Income	54.231	54.233	54.563	54.839	55.527	55.906	56.316	56.719
% Ch	4.2	0.0	2.5	2.0	5.1	2.8	3.0	2.9
Real Per Capita Income (\$/Person)	22,218	22,153	22,282	22,366	22,496	22,551	22,611	22,676
% Ch	5.6	-1.2	2.4	1.5	2.3	1.0	1.1	1.1
Price and Wage Indexes								
U.S. Implicit Price Deflator (Chain-Wt., 1992= 1.0)	1.089	1.096	1.102	1.109	1.116	1.123	1.130	1.138
% Ch	2.2	2.6	2.3	2.4	2.6	2.6	2.6	2.7
Seattle Cons. Price Index (1982-84= 1.0)	1.549	1.563	1.571	1.582	1.594	1.606	1.618	1.631
% Ch	2.8	3.4	2.3	2.7	3.1	3.1	3.1	3.1
Avg. Hourly Earnings-Mfg. (\$/Hour)	14.50	14.55	14.70	14.78	14.85	14.93	15.00	15.08
% Ch	17.0	1.4	4.0	2.2	2.0	2.1	2.0	2.2
Current Dollar Income (Billions of Dollars)								
Nonfarm Personal Income	131.552	132.829	134.899	136.874	139.189	141.049	143.032	145.107
% Ch	9.0	3.9	6.4	6.0	6.9	5.5	5.7	5.9
Personal Income	133.480	134.486	136.579	138.479	140.786	142.640	144.613	146.681
% Ch	9.6	3.0	6.4	5.7	6.8	5.4	5.7	5.8
Disposable Personal Income	116.024	116.293	118.373	120.126	122.511	123.870	126.012	127.825
% Ch	9.0	0.9	7.3	6.1	8.2	4.5	7.1	5.9
Per Capita Income (\$/Person)	24,195	24,279	24,559	24,795	25,101	25,322	25,555	25,797
% Ch	7.9	1.4	4.7	3.9	5.0	3.6	3.7	3.8
Employment (Thousands)								
Washington Civilian Labor Force	2843.1	2863.3	2914.0	2929.9	2944.6	2960.6	2976.6	2993.6
Total Washington Employment	2671.9	2684.8	2744.3	2762.0	2777.1	2793.6	2809.1	2825.6
Unemployment Rate (%)	6.02	6.23	5.83	5.73	5.69	5.64	5.63	5.61
Wage and Salary Employment	2375.3	2390.9	2416.3	2433.1	2447.5	2463.1	2477.8	2493.5
% Ch	5.2	2.7	4.3	2.8	2.4	2.6	2.4	2.6
Manufacturing	338.5	340.8	348.8	352.9	356.2	359.2	361.9	364.2
% Ch	30.5	2.7	9.7	4.9	3.8	3.3	3.0	2.6
Durable Manufacturing	228.1	230.1	236.9	240.4	243.0	245.4	247.7	249.6
% Ch	42.8	3.4	12.4	6.0	4.5	4.0	3.7	3.1
Aerospace	80.8	82.4	87.2	89.3	91.4	93.5	95.3	96.9
% Ch	150.1	8.0	25.5	9.9	9.7	9.5	7.7	6.8
Nondurable Manufacturing	110.3	110.7	111.9	112.6	113.2	113.7	114.2	114.6
% Ch	9.1	1.3	4.4	2.4	2.3	1.8	1.7	1.6
Nonmanufacturing	2036.8	2050.2	2067.5	2080.2	2091.2	2103.9	2116.0	2129.3
% Ch	1.6	2.6	3.4	2.5	2.1	2.5	2.3	2.5
Construction	122.0	122.2	122.3	122.4	122.1	121.9	122.0	122.2
% Ch	9.0	0.6	0.1	0.6	-1.2	-0.5	0.2	0.7
Services	636.6	643.7	653.0	660.8	667.1	673.7	679.9	686.8
% Ch	3.8	4.5	5.9	4.9	3.9	4.0	3.8	4.1
Housing Indicators								
Housing Units Authorized (Thousands)	46.000	42.925	40.990	41.708	40.494	40.690	41.374	42.021
% Ch	55.7	-24.2	-16.8	7.2	-11.1	1.9	6.9	6.4
Mortgage Rate (%)	7.24	8.11	8.14	8.23	8.31	8.24	8.21	8.25

TABLE 1.4

Washington Economic Forecast Summary
 Forecast 1996 to 1999

	1998:1	1998:2	1998:3	1998:4	1999:1	1999:2	1999:3	1999:4
Real Income (Billions of 1992 Chained Dollars)								
Real Personal Income	130.006	130.921	131.884	132.819	134.156	135.192	136.202	137.127
% Ch	3.4	2.8	3.0	2.9	4.1	3.1	3.0	2.7
Real Wage and Salary Disb.	72.732	73.228	73.772	74.340	75.043	75.609	76.147	76.673
% Ch	2.9	2.8	3.0	3.1	3.8	3.0	2.9	2.8
Real Nonwage Income	57.274	57.692	58.112	58.479	59.113	59.584	60.056	60.454
% Ch	4.0	3.0	2.9	2.6	4.4	3.2	3.2	2.7
Real Per Capita Income (\$/Person)	22,751	22,795	22,844	22,887	22,998	23,057	23,111	23,151
% Ch	1.3	0.8	0.9	0.7	2.0	1.0	0.9	0.7
Price and Wage Indexes								
U.S. Implicit Price Deflator (Chain-Wt., 1992= 1.0)	1.145	1.153	1.161	1.169	1.176	1.184	1.193	1.201
% Ch	2.8	2.7	2.7	2.7	2.6	2.8	2.9	2.9
Seattle Cons. Price Index (1982-84= 1.0)	1.644	1.657	1.670	1.684	1.697	1.711	1.726	1.742
% Ch	3.3	3.2	3.3	3.3	3.2	3.4	3.5	3.6
Avg. Hourly Earnings-Mfg. (\$/Hour)	15.16	15.24	15.32	15.40	15.48	15.56	15.65	15.73
% Ch	2.0	2.1	2.1	2.1	2.2	2.1	2.2	2.2
Current Dollar Income (Billions of Dollars)								
Nonfarm Personal Income	147.346	149.404	151.542	153.650	156.214	158.503	160.834	163.111
% Ch	6.3	5.7	5.8	5.7	6.8	6.0	6.0	5.8
Personal Income	148.921	150.984	153.126	155.246	157.824	160.125	162.466	164.752
% Ch	6.3	5.7	5.8	5.7	6.8	6.0	6.0	5.7
Disposable Personal Income	129.844	131.487	133.467	135.285	137.681	139.498	141.592	143.518
% Ch	6.5	5.2	6.2	5.6	7.3	5.4	6.1	5.6
Per Capita Income (\$/Person)	26,061	26,288	26,524	26,751	27,055	27,309	27,567	27,814
% Ch	4.2	3.5	3.6	3.5	4.6	3.8	3.8	3.6
Employment (Thousands)								
Washington Civilian Labor Force	3012.4	3031.7	3051.0	3070.1	3089.6	3108.1	3127.2	3145.9
Total Washington Employment	2844.7	2863.6	2882.0	2900.1	2918.7	2936.9	2956.4	2975.3
Unemployment Rate (%)	5.57	5.55	5.54	5.54	5.53	5.51	5.46	5.42
Wage and Salary Employment	2511.7	2529.7	2547.2	2564.4	2582.1	2599.4	2617.8	2635.8
% Ch	2.9	2.9	2.8	2.7	2.8	2.7	2.9	2.8
Manufacturing	366.4	368.2	370.3	372.3	374.5	376.8	379.1	381.3
% Ch	2.4	2.1	2.3	2.2	2.4	2.4	2.5	2.4
Durable Manufacturing	251.2	252.5	254.0	255.4	257.0	258.6	260.3	262.0
% Ch	2.6	2.2	2.4	2.3	2.4	2.5	2.7	2.6
Aerospace	97.7	98.3	98.8	99.3	99.8	100.4	100.9	101.4
% Ch	3.7	2.2	2.2	2.1	2.1	2.1	2.1	2.1
Nondurable Manufacturing	115.2	115.7	116.3	116.9	117.6	118.2	118.8	119.4
% Ch	1.9	1.8	2.1	2.0	2.3	2.1	2.1	2.0
Nonmanufacturing	2145.4	2161.4	2176.9	2192.1	2207.5	2222.6	2238.7	2254.5
% Ch	3.0	3.0	2.9	2.8	2.9	2.8	2.9	2.8
Construction	122.7	123.3	123.8	124.2	124.5	125.0	125.5	126.2
% Ch	1.6	1.9	1.7	1.3	1.1	1.4	1.9	2.3
Services	693.7	701.0	708.1	715.2	722.1	729.2	736.7	744.3
% Ch	4.1	4.2	4.1	4.1	3.9	4.0	4.1	4.2
Housing Indicators								
Housing Units Authorized (Thousands)	42.888	43.764	44.583	45.371	45.903	46.192	46.265	46.122
% Ch	8.5	8.4	7.7	7.3	4.8	2.5	0.6	-1.2
Mortgage Rate (%)	8.26	8.26	8.20	8.09	8.02	7.98	7.97	7.96

TABLE 2.1
U.S. Nonagricultural Employment by Industry
 Forecast 1996 to 1999

	1992	1993	1994	1995	1996	1997	1998	1999
Wage and Salary Employment	108.59	110.73	114.15	117.20	119.54	121.37	123.17	125.21
% Ch	0.3	2.0	3.1	2.7	2.0	1.5	1.5	1.7
Manufacturing	18.11	18.08	18.32	18.47	18.29	18.17	18.09	18.20
% Ch	-1.6	-0.2	1.4	0.8	-1.0	-0.7	-0.4	0.6
Nondurable Manufacturing	7.83	7.85	7.87	7.82	7.61	7.59	7.61	7.65
% Ch	-0.1	0.4	0.3	-0.7	-2.6	-0.2	0.2	0.5
Food and Kindred Products	1.66	1.68	1.68	1.68	1.65	1.64	1.64	1.65
% Ch	-0.3	1.0	-0.1	0.1	-1.7	-0.9	0.1	0.4
Pulp and Paper	0.69	0.69	0.69	0.69	0.68	0.69	0.69	0.69
% Ch	0.4	0.2	0.1	-0.1	-2.0	1.4	0.4	0.1
Apparel	1.01	0.99	0.97	0.93	0.86	0.86	0.86	0.87
% Ch	0.1	-1.8	-1.4	-4.5	-7.9	0.1	-0.1	1.3
Printing	1.51	1.52	1.54	1.54	1.52	1.52	1.53	1.54
% Ch	-1.9	0.7	1.3	0.4	-1.2	-0.5	0.6	0.9
Chemicals	1.08	1.08	1.06	1.03	1.02	1.02	1.02	1.02
% Ch	0.7	-0.3	-2.2	-2.1	-1.3	-0.4	0.2	-0.3
Other Nondurables	1.88	1.90	1.94	1.93	1.88	1.88	1.88	1.89
% Ch	0.7	1.1	2.0	-0.0	-2.9	-0.0	0.1	0.3
Durable Manufacturing	10.28	10.22	10.45	10.65	10.68	10.57	10.48	10.55
% Ch	-2.7	-0.5	2.2	2.0	0.2	-1.0	-0.8	0.6
Lumber and Wood	0.68	0.71	0.75	0.76	0.76	0.76	0.76	0.77
% Ch	0.7	4.3	6.3	1.4	-0.5	-0.3	0.5	0.8
Furniture	0.48	0.49	0.50	0.51	0.50	0.51	0.51	0.51
% Ch	0.6	2.0	3.7	0.8	-1.7	2.2	-0.3	-0.3
Stone-Clay-Glass	0.51	0.52	0.53	0.54	0.54	0.53	0.52	0.52
% Ch	-1.5	0.7	2.9	1.1	-0.5	-0.9	-1.2	-0.3
Primary Metals	0.70	0.68	0.70	0.71	0.70	0.69	0.69	0.70
% Ch	-3.8	-1.7	2.1	1.8	-0.9	-1.8	-0.2	0.8
Fabricated Metals	1.33	1.34	1.39	1.44	1.45	1.45	1.46	1.47
% Ch	-1.9	0.7	3.7	3.6	0.9	0.2	0.7	0.8
Nonelectrical Machinery	1.93	1.93	1.99	2.06	2.09	2.07	2.08	2.12
% Ch	-3.5	0.1	3.0	3.5	1.4	-0.8	0.2	2.1
Electrical Machinery	1.53	1.53	1.57	1.62	1.65	1.62	1.59	1.62
% Ch	-4.0	-0.2	2.9	3.4	1.6	-1.8	-1.8	1.5
Transportation Equipment	1.83	1.76	1.76	1.78	1.77	1.72	1.68	1.68
% Ch	-3.2	-4.0	0.2	1.3	-0.9	-2.4	-2.4	-0.1
Instruments	0.93	0.90	0.86	0.84	0.83	0.83	0.80	0.78
% Ch	-4.7	-3.6	-3.9	-2.8	-0.4	-0.9	-2.8	-2.3
Other Durables	0.37	0.38	0.39	0.39	0.39	0.38	0.38	0.38
% Ch	0.6	2.9	2.8	0.1	-0.7	-0.9	-0.7	0.0
Nonmanufacturing	90.49	92.65	95.83	98.73	101.25	103.20	105.08	107.01
% Ch	0.7	2.4	3.4	3.0	2.5	1.9	1.8	1.8
Mining	0.63	0.61	0.60	0.58	0.57	0.56	0.54	0.53
% Ch	-8.0	-4.0	-1.5	-3.4	-1.3	-2.8	-2.4	-1.6
Construction	4.49	4.66	4.98	5.16	5.40	5.47	5.50	5.57
% Ch	-3.5	3.8	6.8	3.6	4.6	1.3	0.6	1.3
Trans., Comm. and Utilities	5.72	5.83	5.99	6.17	6.32	6.39	6.44	6.49
% Ch	-0.7	1.9	2.8	2.9	2.5	1.1	0.8	0.8
Wholesale Trade	6.00	5.98	6.16	6.41	6.59	6.73	6.86	6.98
% Ch	-1.4	-0.3	3.0	4.0	2.8	2.2	1.9	1.8
Retail Trade	19.35	19.78	20.51	21.17	21.58	21.88	22.22	22.55
% Ch	0.4	2.2	3.7	3.3	1.9	1.4	1.6	1.5
Finance-Insurance-Real Estate	6.60	6.76	6.89	6.83	6.98	7.08	7.14	7.21
% Ch	-0.7	2.3	2.0	-0.9	2.2	1.4	0.9	1.0
Services	29.05	30.19	31.57	33.10	34.34	35.46	36.55	37.65
% Ch	2.5	3.9	4.6	4.8	3.8	3.2	3.1	3.0
State and Local Government	15.67	15.92	16.25	16.49	16.71	16.97	17.21	17.44
% Ch	1.5	1.6	2.0	1.5	1.4	1.5	1.4	1.3
Federal Government	2.97	2.91	2.87	2.82	2.75	2.67	2.62	2.59
% Ch	0.0	-1.8	-1.5	-1.7	-2.4	-3.1	-1.7	-1.2

TABLE 2.2
U.S. Nonagricultural Employment by Industry
 Forecast 1996 to 1999

	1994:1	1994:2	1994:3	1994:4	1995:1	1995:2	1995:3	1995:4
Wage and Salary Employment	112.62	113.69	114.69	115.61	116.48	116.96	117.44	117.93
% Ch	2.9	3.8	3.6	3.3	3.1	1.6	1.7	1.7
Manufacturing	18.17	18.27	18.37	18.47	18.55	18.52	18.43	18.37
% Ch	1.6	2.2	2.3	2.2	1.7	-0.7	-1.9	-1.5
Nondurable Manufacturing	7.85	7.87	7.88	7.90	7.90	7.86	7.78	7.72
% Ch	0.1	0.8	0.9	0.5	0.2	-2.2	-3.6	-3.1
Food and Kindred Products	1.68	1.68	1.68	1.68	1.69	1.68	1.68	1.68
% Ch	-0.8	-0.6	-0.2	-0.1	2.2	-0.5	-1.7	-0.5
Pulp and Paper	0.69	0.69	0.69	0.69	0.70	0.69	0.69	0.69
% Ch	0.8	0.0	0.4	1.6	0.4	-0.8	-1.5	-2.9
Apparel	0.97	0.97	0.98	0.98	0.96	0.95	0.92	0.89
% Ch	-2.2	1.8	1.8	-1.0	-4.8	-7.4	-9.8	-12.5
Printing	1.53	1.53	1.54	1.54	1.55	1.54	1.54	1.54
% Ch	1.9	1.3	1.3	1.0	1.0	-0.7	-0.9	-1.1
Chemicals	1.07	1.06	1.05	1.05	1.04	1.04	1.03	1.03
% Ch	-2.9	-2.6	-2.6	-2.5	-1.8	-2.0	-2.0	-1.0
Other Nondurables	1.91	1.93	1.94	1.96	1.96	1.95	1.92	1.91
% Ch	2.2	3.2	3.2	2.8	1.4	-3.0	-5.6	-3.3
Durable Manufacturing	10.32	10.40	10.49	10.58	10.65	10.67	10.65	10.64
% Ch	2.8	3.3	3.4	3.5	2.9	0.5	-0.7	-0.3
Lumber and Wood	0.74	0.75	0.76	0.77	0.77	0.76	0.76	0.76
% Ch	7.4	7.2	6.2	3.2	1.7	-3.2	-2.1	0.9
Furniture	0.50	0.50	0.51	0.51	0.52	0.51	0.51	0.50
% Ch	3.9	5.2	5.7	2.1	2.9	-3.8	-4.4	-0.3
Stone-Clay-Glass	0.53	0.53	0.53	0.54	0.54	0.54	0.54	0.54
% Ch	3.6	3.9	2.3	3.0	2.5	-1.0	-2.4	-1.0
Primary Metals	0.69	0.69	0.70	0.71	0.71	0.71	0.71	0.71
% Ch	3.0	1.4	5.3	4.6	1.7	0.6	-2.8	0.8
Fabricated Metals	1.36	1.38	1.40	1.42	1.43	1.44	1.44	1.44
% Ch	3.7	5.1	5.3	5.5	5.4	1.7	-0.7	0.8
Nonelectrical Machinery	1.96	1.99	2.00	2.01	2.04	2.05	2.07	2.08
% Ch	3.8	5.0	2.4	3.7	4.5	3.4	2.1	2.8
Electrical Machinery	1.54	1.56	1.58	1.59	1.61	1.62	1.63	1.64
% Ch	3.1	4.9	4.5	3.7	3.9	2.5	2.1	3.1
Transportation Equipment	1.74	1.75	1.76	1.79	1.80	1.80	1.79	1.75
% Ch	1.3	1.1	3.7	5.7	2.7	-0.6	-2.6	-7.6
Instruments	0.88	0.86	0.86	0.85	0.84	0.84	0.84	0.83
% Ch	-3.3	-4.6	-4.2	-2.8	-3.1	-2.2	-1.1	-2.2
Other Durables	0.39	0.39	0.39	0.39	0.39	0.39	0.39	0.39
% Ch	3.9	2.8	4.2	-0.3	0.0	-1.4	-2.4	1.4
Nonmanufacturing	94.46	95.42	96.32	97.14	97.93	98.43	99.01	99.56
% Ch	3.1	4.1	3.8	3.5	3.3	2.1	2.4	2.3
Mining	0.61	0.60	0.60	0.59	0.59	0.58	0.58	0.57
% Ch	2.0	-6.2	-0.9	-2.0	-3.5	-4.7	-4.3	-3.7
Construction	4.85	4.97	5.02	5.09	5.13	5.13	5.17	5.21
% Ch	6.2	10.1	4.1	5.3	3.8	-0.3	2.8	3.6
Trans., Comm. and Utilities	5.92	5.96	6.02	6.06	6.11	6.14	6.18	6.23
% Ch	2.7	2.5	4.3	2.7	3.2	2.0	2.5	3.3
Wholesale Trade	6.07	6.13	6.19	6.26	6.34	6.39	6.44	6.48
% Ch	3.2	3.8	4.1	4.7	4.9	3.4	3.0	2.6
Retail Trade	20.17	20.40	20.61	20.84	21.04	21.14	21.23	21.30
% Ch	3.3	4.5	4.1	4.7	3.8	1.9	1.7	1.4
Finance-Insurance-Real Estate	6.91	6.92	6.90	6.85	6.81	6.81	6.83	6.87
% Ch	3.1	0.6	-1.2	-2.5	-2.2	-0.4	1.4	2.4
Services	30.91	31.36	31.81	32.21	32.64	32.95	33.25	33.56
% Ch	3.6	5.9	5.9	5.2	5.5	3.8	3.7	3.7
State and Local Government	16.11	16.21	16.31	16.37	16.43	16.46	16.52	16.55
% Ch	1.8	2.6	2.5	1.4	1.4	0.9	1.4	0.7
Federal Government	2.90	2.87	2.86	2.85	2.84	2.83	2.82	2.80
% Ch	-0.6	-3.1	-1.8	-0.9	-2.3	-0.8	-1.5	-3.4

TABLE 2.2
U.S. Nonagricultural Employment by Industry
 Forecast 1996 to 1999

	1996:1	1996:2	1996:3	1996:4	1997:1	1997:2	1997:3	1997:4
Wage and Salary Employment	118.46	119.27	119.93	120.49	120.82	121.21	121.54	121.89
% Ch	1.8	2.8	2.2	1.9	1.1	1.3	1.1	1.2
Manufacturing	18.31	18.29	18.27	18.27	18.23	18.19	18.15	18.09
% Ch	-1.3	-0.3	-0.4	-0.0	-0.9	-1.0	-0.8	-1.2
Nondurable Manufacturing	7.67	7.62	7.58	7.58	7.58	7.59	7.60	7.60
% Ch	-3.0	-2.4	-1.9	-0.2	0.3	0.6	0.4	-0.1
Food and Kindred Products	1.67	1.66	1.64	1.64	1.63	1.64	1.64	1.64
% Ch	-0.3	-3.5	-4.5	-1.1	-0.2	0.7	0.1	0.1
Pulp and Paper	0.68	0.68	0.67	0.68	0.68	0.69	0.69	0.69
% Ch	-2.3	-2.9	-2.4	2.7	3.3	2.0	1.1	0.5
Apparel	0.87	0.85	0.85	0.86	0.86	0.86	0.86	0.86
% Ch	-10.2	-6.6	-0.6	1.5	0.9	-0.0	1.1	-1.4
Printing	1.53	1.53	1.52	1.52	1.51	1.52	1.52	1.52
% Ch	-1.3	-1.3	-1.1	-1.6	-0.7	0.6	0.8	0.2
Chemicals	1.03	1.02	1.02	1.02	1.02	1.02	1.02	1.02
% Ch	-1.0	-1.2	-1.4	-0.8	-0.7	0.4	0.9	0.2
Other Nondurables	1.88	1.88	1.87	1.88	1.88	1.88	1.88	1.87
% Ch	-4.4	-1.0	-1.2	0.4	0.6	0.3	-0.6	-0.4
Durable Manufacturing	10.64	10.68	10.69	10.69	10.65	10.59	10.55	10.49
% Ch	-0.0	1.3	0.6	0.1	-1.7	-2.1	-1.7	-2.0
Lumber and Wood	0.75	0.76	0.76	0.76	0.76	0.76	0.76	0.76
% Ch	-4.5	5.2	-0.8	1.7	-1.3	-1.7	-1.4	0.8
Furniture	0.50	0.50	0.50	0.50	0.51	0.51	0.51	0.51
% Ch	-2.4	-1.8	-1.7	4.8	4.7	3.0	0.3	-1.6
Stone-Clay-Glass	0.53	0.54	0.53	0.54	0.54	0.53	0.53	0.53
% Ch	-0.2	0.8	-1.0	1.3	-0.5	-2.8	-2.5	-1.6
Primary Metals	0.71	0.71	0.70	0.70	0.70	0.69	0.69	0.69
% Ch	-0.8	-1.3	-2.4	0.5	-2.6	-3.0	-1.5	-1.8
Fabricated Metals	1.44	1.44	1.46	1.46	1.45	1.45	1.45	1.45
% Ch	0.6	0.6	4.0	-0.2	-0.8	-0.1	-1.0	0.5
Nonelectrical Machinery	2.09	2.09	2.09	2.09	2.08	2.07	2.07	2.07
% Ch	1.1	0.3	0.8	-0.5	-2.2	-1.2	0.1	-0.5
Electrical Machinery	1.65	1.65	1.66	1.65	1.64	1.63	1.62	1.60
% Ch	2.2	0.4	1.2	-2.6	-2.0	-2.1	-2.6	-3.6
Transportation Equipment	1.75	1.77	1.77	1.77	1.76	1.73	1.71	1.69
% Ch	-0.8	5.4	0.8	0.0	-3.7	-5.5	-4.3	-5.1
Instruments	0.83	0.83	0.83	0.84	0.83	0.83	0.83	0.82
% Ch	0.2	1.1	0.2	0.6	-1.3	-1.7	-1.6	-4.1
Other Durables	0.39	0.39	0.39	0.39	0.39	0.38	0.38	0.38
% Ch	-0.7	-2.4	-1.0	2.9	-1.2	-3.2	-1.0	-2.2
Nonmanufacturing	100.15	100.98	101.65	102.22	102.59	103.02	103.39	103.80
% Ch	2.4	3.3	2.7	2.3	1.5	1.7	1.4	1.6
Mining	0.57	0.57	0.57	0.57	0.56	0.56	0.55	0.55
% Ch	0.9	1.6	-3.4	1.6	-4.8	-4.5	-4.5	-2.3
Construction	5.31	5.38	5.44	5.46	5.46	5.47	5.47	5.48
% Ch	7.6	5.6	4.4	1.8	-0.6	0.8	-0.1	1.1
Trans., Comm. and Utilities	6.27	6.31	6.35	6.36	6.37	6.39	6.40	6.40
% Ch	2.6	2.6	2.2	0.6	0.8	1.1	0.7	0.3
Wholesale Trade	6.53	6.56	6.60	6.67	6.70	6.72	6.74	6.77
% Ch	3.1	2.2	1.9	4.4	2.0	1.2	1.4	1.4
Retail Trade	21.32	21.50	21.74	21.75	21.79	21.88	21.91	21.95
% Ch	0.3	3.5	4.5	0.3	0.7	1.6	0.7	0.6
Finance-Insurance-Real Estate	6.92	6.96	6.99	7.06	7.07	7.07	7.08	7.09
% Ch	2.5	2.5	1.7	4.3	0.6	-0.3	0.9	0.6
Services	33.88	34.25	34.45	34.80	35.06	35.33	35.58	35.85
% Ch	3.9	4.5	2.4	4.1	3.1	3.1	2.8	3.1
State and Local Government	16.58	16.67	16.77	16.84	16.89	16.95	17.00	17.05
% Ch	0.9	2.0	2.5	1.7	1.2	1.3	1.2	1.2
Federal Government	2.78	2.77	2.75	2.71	2.68	2.67	2.66	2.66
% Ch	-2.1	-1.6	-2.5	-6.3	-3.8	-1.9	-2.0	0.8

TABLE 2.2
U.S. Nonagricultural Employment by Industry
 Forecast 1996 to 1999

	1998:1	1998:2	1998:3	1998:4	1999:1	1999:2	1999:3	1999:4
Wage and Salary Employment	122.42	122.95	123.43	123.88	124.34	124.88	125.51	126.11
% Ch	1.7	1.8	1.6	1.4	1.5	1.7	2.1	1.9
Manufacturing	18.07	18.08	18.11	18.12	18.14	18.18	18.22	18.26
% Ch	-0.5	0.2	0.6	0.3	0.4	0.8	1.0	0.8
Nondurable Manufacturing	7.60	7.60	7.62	7.63	7.63	7.64	7.65	7.66
% Ch	0.0	0.2	0.6	0.5	0.5	0.4	0.5	0.3
Food and Kindred Products	1.64	1.64	1.64	1.64	1.64	1.64	1.65	1.65
% Ch	0.2	-0.5	0.0	0.5	0.7	0.5	0.4	0.5
Pulp and Paper	0.69	0.69	0.69	0.69	0.69	0.69	0.69	0.69
% Ch	0.1	0.0	-0.1	0.3	0.3	-0.0	-0.1	0.1
Apparel	0.85	0.85	0.86	0.86	0.86	0.87	0.87	0.87
% Ch	-2.3	0.9	2.6	1.9	0.7	1.1	1.6	-0.6
Printing	1.52	1.52	1.53	1.53	1.53	1.54	1.54	1.55
% Ch	0.8	0.4	0.5	0.5	1.1	1.2	1.1	1.2
Chemicals	1.02	1.02	1.02	1.02	1.02	1.02	1.02	1.01
% Ch	0.5	-0.2	-0.1	-0.3	-0.2	-0.3	-0.6	-0.8
Other Nondurables	1.88	1.88	1.88	1.88	1.89	1.89	1.89	1.89
% Ch	0.1	0.7	0.9	0.5	0.1	0.0	0.2	0.4
Durable Manufacturing	10.47	10.48	10.49	10.50	10.50	10.53	10.57	10.60
% Ch	-0.9	0.2	0.5	0.2	0.3	1.1	1.4	1.1
Lumber and Wood	0.76	0.76	0.76	0.76	0.77	0.77	0.77	0.77
% Ch	1.8	0.8	0.3	0.2	0.9	1.2	1.4	1.3
Furniture	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51
% Ch	-0.8	0.1	-0.1	-0.9	-0.4	0.0	-0.0	-1.0
Stone-Clay-Glass	0.52	0.52	0.52	0.52	0.52	0.52	0.52	0.52
% Ch	-0.9	-0.6	-0.1	-0.1	-0.6	-0.6	-0.1	0.4
Primary Metals	0.69	0.69	0.69	0.69	0.69	0.69	0.70	0.70
% Ch	0.1	1.2	1.5	0.5	-0.1	0.7	1.7	1.9
Fabricated Metals	1.46	1.46	1.47	1.47	1.47	1.47	1.48	1.48
% Ch	1.4	1.2	0.8	0.2	0.1	1.3	1.7	1.5
Nonelectrical Machinery	2.07	2.07	2.08	2.09	2.10	2.11	2.13	2.14
% Ch	-0.2	0.7	1.5	1.9	2.1	2.4	2.8	3.5
Electrical Machinery	1.59	1.59	1.59	1.60	1.60	1.61	1.62	1.63
% Ch	-2.9	-0.6	0.6	1.0	1.7	2.4	2.3	2.1
Transportation Equipment	1.68	1.68	1.69	1.68	1.68	1.68	1.68	1.68
% Ch	-2.4	0.6	0.4	-0.9	-1.0	0.7	0.7	-0.2
Instruments	0.81	0.80	0.80	0.80	0.79	0.79	0.78	0.78
% Ch	-3.3	-2.6	-2.0	-2.6	-2.5	-2.1	-1.7	-2.7
Other Durables	0.38	0.38	0.38	0.38	0.38	0.38	0.38	0.38
% Ch	0.3	-0.7	1.2	-0.3	-0.3	-0.0	0.9	-0.6
Nonmanufacturing	104.35	104.87	105.33	105.76	106.21	106.70	107.29	107.85
% Ch	2.1	2.0	1.7	1.6	1.7	1.9	2.2	2.1
Mining	0.55	0.54	0.54	0.54	0.54	0.54	0.53	0.53
% Ch	-2.1	-1.5	-1.3	-1.4	-1.6	-1.7	-1.7	-1.5
Construction	5.50	5.50	5.50	5.49	5.49	5.53	5.60	5.65
% Ch	1.4	0.1	-0.0	-0.4	-0.5	3.4	4.6	3.9
Trans., Comm. and Utilities	6.42	6.43	6.44	6.46	6.47	6.48	6.50	6.52
% Ch	0.9	1.0	0.7	0.7	0.8	0.8	1.1	1.1
Wholesale Trade	6.80	6.85	6.88	6.90	6.93	6.96	7.00	7.03
% Ch	2.3	2.4	1.9	1.5	1.6	1.8	2.1	2.1
Retail Trade	22.08	22.20	22.27	22.34	22.43	22.50	22.59	22.68
% Ch	2.5	2.1	1.4	1.2	1.7	1.3	1.6	1.6
Finance-Insurance-Real Estate	7.12	7.14	7.15	7.16	7.17	7.18	7.22	7.27
% Ch	1.3	1.3	0.7	0.7	0.5	0.6	2.3	2.7
Services	36.13	36.41	36.69	36.96	37.23	37.50	37.79	38.09
% Ch	3.1	3.2	3.1	3.0	2.9	3.0	3.1	3.2
State and Local Government	17.11	17.17	17.24	17.30	17.35	17.41	17.47	17.51
% Ch	1.3	1.6	1.5	1.4	1.2	1.3	1.3	1.1
Federal Government	2.65	2.63	2.61	2.60	2.60	2.60	2.60	2.57
% Ch	-2.0	-3.1	-2.1	-2.1	0.0	0.0	0.0	-5.0

TABLE 2.3
Washington Nonagricultural Employment by Industry
 Forecast 1996 to 1999

	1992	1993	1994	1995	1996	1997	1998	1999
Wage and Salary Employment	2221.9	2251.7	2304.1	2345.6	2403.9	2470.5	2538.2	2608.8
% Ch	2.0	1.3	2.3	1.8	2.5	2.8	2.7	2.8
Manufacturing	347.2	340.8	336.9	331.4	345.2	360.4	369.3	377.9
% Ch	-1.3	-1.8	-1.1	-1.6	4.2	4.4	2.5	2.3
Nondurable Manufacturing	101.6	103.4	106.3	107.8	111.4	113.9	116.0	118.5
% Ch	1.4	1.8	2.8	1.4	3.3	2.3	1.8	2.1
Food and Kindred Products	38.0	39.0	40.5	41.6	44.0	45.3	46.2	47.3
% Ch	1.2	2.7	3.7	2.7	5.8	2.9	2.0	2.4
Pulp and Paper	17.7	17.2	17.2	17.3	17.1	17.3	17.4	17.5
% Ch	-1.1	-2.8	-0.1	0.9	-1.5	1.5	0.4	0.6
Apparel	8.2	8.8	9.3	9.0	9.2	9.3	9.2	9.2
% Ch	3.0	7.4	5.1	-2.7	2.2	0.4	-0.1	-0.2
Printing	22.7	23.0	23.5	23.9	24.5	25.1	25.8	26.5
% Ch	1.1	1.4	2.1	1.7	2.5	2.2	2.9	3.0
Chemicals	5.2	5.4	5.6	5.5	5.6	5.7	5.8	5.8
% Ch	0.5	3.2	4.3	-2.5	2.6	1.2	1.4	1.3
Other Nondurables	9.7	9.9	10.2	10.4	10.9	11.3	11.6	12.0
% Ch	7.2	2.2	3.1	1.7	4.7	3.3	2.9	3.6
Durable Manufacturing	245.6	237.4	230.6	223.7	233.9	246.4	253.3	259.5
% Ch	-2.4	-3.4	-2.9	-3.0	4.6	5.4	2.8	2.4
Lumber and Wood	36.5	35.9	36.3	35.4	35.2	34.9	35.0	35.1
% Ch	0.3	-1.8	1.3	-2.4	-0.8	-0.7	0.2	0.3
Furniture	3.7	3.6	3.7	3.7	4.1	4.1	4.2	4.3
% Ch	-2.5	-4.5	4.2	-0.2	9.4	2.2	2.1	2.4
Stone-Clay-Glass	8.1	8.4	8.7	8.8	8.7	8.7	8.7	8.8
% Ch	5.4	3.5	3.0	1.6	-1.5	-0.2	0.5	0.8
Primary Metals	11.7	11.2	10.8	11.2	11.6	11.7	11.7	11.9
% Ch	-4.9	-3.9	-3.7	3.7	3.2	0.8	0.6	1.4
Fabricated Metals	11.2	11.5	12.5	13.1	13.4	13.6	13.8	14.1
% Ch	-5.6	2.7	8.3	5.4	1.9	1.5	1.8	1.7
Nonelectrical Machinery	19.5	20.2	20.9	21.9	23.9	24.5	25.0	26.0
% Ch	-2.1	3.9	3.5	4.7	9.0	2.7	1.8	4.1
Electrical Machinery	10.6	11.2	12.3	14.0	15.5	17.9	19.8	22.0
% Ch	-3.2	5.3	10.1	13.8	10.8	15.2	10.3	11.5
Aerospace	111.9	102.7	91.8	80.2	85.0	94.3	98.5	100.6
% Ch	-3.2	-8.2	-10.6	-12.7	5.9	11.0	4.5	2.1
Other Trans. Equip.	11.5	12.0	13.3	14.7	14.7	14.6	14.5	14.5
% Ch	-9.9	4.8	10.5	10.3	-0.2	-0.2	-0.9	-0.1
Instruments	14.1	13.5	12.8	12.7	13.5	13.6	13.5	13.5
% Ch	1.8	-4.3	-5.0	-0.6	6.2	0.6	-0.6	-0.1
Other Durables	6.8	7.1	7.4	7.8	8.4	8.5	8.5	8.6
% Ch	2.4	4.4	3.8	5.7	8.0	0.9	0.4	1.3
Nonmanufacturing	1874.7	1910.9	1967.2	2014.1	2058.7	2110.1	2168.9	2230.8
% Ch	2.7	1.9	2.9	2.4	2.2	2.5	2.8	2.9
Mining	3.4	3.2	3.4	3.4	3.5	3.5	3.6	3.7
% Ch	-7.5	-5.3	6.5	-1.3	3.0	2.3	1.8	2.0
Construction	119.2	119.1	123.0	121.2	122.2	122.0	123.5	125.3
% Ch	0.9	-0.1	3.3	-1.4	0.8	-0.2	1.2	1.5
Trans., Comm. and Utilities	113.6	114.2	116.5	120.2	122.3	124.6	127.5	130.5
% Ch	1.6	0.5	2.0	3.2	1.8	2.0	2.3	2.4
Wholesale Trade	131.5	133.3	138.3	143.5	144.3	147.2	150.1	153.8
% Ch	0.9	1.4	3.8	3.7	0.6	2.0	2.0	2.4
Retail Trade	406.3	413.2	426.6	438.7	445.6	454.6	468.8	483.8
% Ch	2.4	1.7	3.2	2.8	1.6	2.0	3.1	3.2
Finance-Insurance-Real Estate	119.3	121.2	124.1	121.6	123.7	125.7	127.5	129.3
% Ch	2.0	1.6	2.4	-2.0	1.7	1.6	1.5	1.4
Services	557.8	576.7	598.0	621.4	648.5	676.9	704.5	733.1
% Ch	4.1	3.4	3.7	3.9	4.4	4.4	4.1	4.1
State and Local Government	350.2	357.7	365.7	374.2	380.1	388.6	397.3	405.7
% Ch	3.4	2.1	2.3	2.3	1.6	2.3	2.2	2.1
Federal Government	73.4	72.3	71.5	70.0	68.5	66.9	66.1	65.7
% Ch	0.6	-1.4	-1.1	-2.1	-2.2	-2.4	-1.1	-0.6

TABLE 2.4
Washington Nonagricultural Employment by Industry
 Forecast 1996 to 1999

	1994:1	1994:2	1994:3	1994:4	1995:1	1995:2	1995:3	1995:4
Wage and Salary Employment	2282.5	2293.9	2313.0	2327.1	2339.0	2345.7	2352.3	2345.3
% Ch	1.6	2.0	3.4	2.5	2.1	1.2	1.1	-1.2
Manufacturing	336.2	335.7	337.0	338.7	339.8	336.9	332.4	316.7
% Ch	-2.1	-0.5	1.5	2.0	1.3	-3.3	-5.3	-17.6
Nondurable Manufacturing	105.2	106.2	106.7	107.3	107.7	107.7	107.8	108.0
% Ch	2.7	3.9	2.1	2.0	1.6	0.1	0.2	0.8
Food and Kindred Products	40.0	40.3	40.7	41.0	41.4	41.6	41.4	41.9
% Ch	1.7	3.6	3.8	2.4	4.8	2.0	-1.8	4.4
Pulp and Paper	17.0	17.2	17.2	17.3	17.3	17.3	17.4	17.3
% Ch	-2.0	4.0	0.3	3.0	-0.9	1.0	3.1	-3.8
Apparel	9.1	9.5	9.3	9.2	9.2	9.1	9.0	8.8
% Ch	10.8	16.7	-7.3	-1.4	-3.1	-3.6	-2.6	-9.4
Printing	23.3	23.5	23.6	23.7	23.9	23.8	23.9	24.2
% Ch	3.6	3.5	2.4	1.6	2.7	-1.2	1.0	5.3
Chemicals	5.6	5.6	5.6	5.7	5.6	5.5	5.4	5.3
% Ch	0.6	-3.2	1.9	11.5	-6.9	-7.7	-7.6	-5.6
Other Nondurables	10.2	10.2	10.3	10.3	10.3	10.3	10.6	10.5
% Ch	6.9	-1.3	6.6	-1.7	0.2	1.7	9.2	-2.9
Durable Manufacturing	231.0	229.6	230.3	231.4	232.1	229.2	224.6	208.7
% Ch	-4.1	-2.5	1.2	2.0	1.2	-4.8	-7.8	-25.5
Lumber and Wood	36.6	36.2	36.4	36.1	36.1	35.3	35.2	35.2
% Ch	4.0	-4.3	1.9	-2.8	-0.1	-8.6	-1.1	0.7
Furniture	3.6	3.7	3.8	3.8	3.8	3.7	3.7	3.7
% Ch	9.6	14.3	4.1	6.2	-4.3	-9.2	4.2	-3.8
Stone-Clay-Glass	8.6	8.7	8.7	8.7	8.9	8.8	8.8	8.8
% Ch	8.5	2.6	1.6	1.1	5.8	-1.7	-0.5	0.9
Primary Metals	10.9	10.8	10.7	10.8	10.9	11.0	11.4	11.4
% Ch	-2.5	-4.3	-4.4	5.1	3.8	5.3	12.4	2.4
Fabricated Metals	12.1	12.3	12.6	12.9	13.0	13.1	13.2	13.2
% Ch	5.1	10.3	7.8	10.7	4.4	3.1	2.0	-0.3
Nonelectrical Machinery	20.4	20.8	20.9	21.5	21.3	21.8	22.1	22.3
% Ch	1.2	6.7	3.3	11.4	-3.0	9.2	4.6	5.1
Electrical Machinery	11.6	12.1	12.7	13.0	13.5	13.9	14.3	14.4
% Ch	6.2	19.7	20.4	10.7	15.8	14.7	10.1	3.2
Aerospace	94.3	91.7	90.9	90.4	89.4	86.6	80.5	64.3
% Ch	-14.1	-10.7	-3.2	-2.2	-4.5	-11.9	-25.4	-59.3
Other Trans. Equip.	12.9	13.2	13.4	13.8	14.7	14.4	15.0	14.7
% Ch	20.0	10.9	6.5	10.1	30.9	-8.2	17.2	-8.6
Instruments	12.9	12.8	12.7	12.8	12.7	12.7	12.7	12.8
% Ch	-10.6	-3.2	-4.7	4.0	-1.9	-2.4	0.5	4.5
Other Durables	7.1	7.3	7.5	7.6	7.8	7.8	7.8	7.8
% Ch	4.1	8.2	15.4	0.5	11.4	3.0	-0.7	0.3
Nonmanufacturing	1946.3	1958.2	1976.0	1988.4	1999.2	2008.7	2020.0	2028.6
% Ch	2.3	2.5	3.7	2.5	2.2	1.9	2.3	1.7
Mining	3.3	3.4	3.5	3.5	3.4	3.4	3.3	3.3
% Ch	4.3	12.6	5.5	3.7	-6.1	-6.6	-5.4	2.7
Construction	122.7	123.3	123.5	122.6	122.3	122.1	121.2	119.4
% Ch	-0.8	2.2	0.5	-2.9	-1.0	-0.6	-2.9	-5.6
Trans., Comm. and Utilities	114.8	115.4	117.2	118.4	119.4	119.7	119.5	122.0
% Ch	3.0	2.2	6.3	4.2	3.3	1.1	-0.7	8.8
Wholesale Trade	136.6	137.2	138.6	140.9	142.4	143.3	144.1	144.2
% Ch	2.5	1.9	4.0	6.8	4.3	2.6	2.2	0.3
Retail Trade	421.4	424.5	428.5	432.1	436.8	435.8	439.5	442.6
% Ch	3.4	2.9	3.8	3.4	4.4	-0.9	3.4	2.8
Finance-Insurance-Real Estate	125.9	125.1	123.5	121.9	121.3	120.9	121.2	122.9
% Ch	7.3	-2.5	-5.1	-5.1	-1.9	-1.1	0.9	5.8
Services	587.8	593.6	603.1	607.6	610.8	618.2	625.9	630.6
% Ch	2.4	3.9	6.6	3.0	2.2	4.9	5.1	3.0
State and Local Government	362.2	364.1	366.7	370.0	372.2	375.1	375.7	373.7
% Ch	0.7	2.1	2.9	3.7	2.4	3.2	0.6	-2.1
Federal Government	71.5	71.5	71.5	71.6	70.7	70.3	69.5	69.7
% Ch	-2.1	0.0	-0.1	0.6	-4.9	-2.4	-4.2	1.1

TABLE 2.4
Washington Nonagricultural Employment by Industry
 Forecast 1996 to 1999

	1996:1	1996:2	1996:3	1996:4	1997:1	1997:2	1997:3	1997:4
Wage and Salary Employment	2375.3	2390.9	2416.3	2433.1	2447.5	2463.1	2477.8	2493.5
% Ch	5.2	2.7	4.3	2.8	2.4	2.6	2.4	2.6
Manufacturing	338.5	340.8	348.8	352.9	356.2	359.2	361.9	364.2
% Ch	30.5	2.7	9.7	4.9	3.8	3.3	3.0	2.6
Nondurable Manufacturing	110.3	110.7	111.9	112.6	113.2	113.7	114.2	114.6
% Ch	9.1	1.3	4.4	2.4	2.3	1.8	1.7	1.6
Food and Kindred Products	43.2	43.7	44.6	44.7	45.0	45.2	45.4	45.7
% Ch	13.2	4.3	8.4	1.3	2.4	2.2	1.9	2.0
Pulp and Paper	17.0	17.0	17.1	17.2	17.3	17.3	17.3	17.3
% Ch	-5.5	-1.4	1.7	4.3	2.4	0.0	0.1	0.2
Apparel	9.2	9.2	9.2	9.2	9.2	9.3	9.3	9.3
% Ch	21.3	-0.7	-2.1	2.0	0.8	0.5	0.5	-0.5
Printing	24.6	24.4	24.4	24.6	24.8	25.0	25.1	25.3
% Ch	6.9	-2.2	-0.3	3.8	2.8	2.6	2.7	2.6
Chemicals	5.6	5.6	5.6	5.7	5.7	5.7	5.7	5.7
% Ch	18.2	3.9	1.5	0.5	0.7	1.3	1.7	1.3
Other Nondurables	10.7	10.8	11.0	11.1	11.2	11.2	11.3	11.3
% Ch	8.4	2.5	11.1	2.4	2.4	2.1	1.9	1.8
Durable Manufacturing	228.1	230.1	236.9	240.4	243.0	245.4	247.7	249.6
% Ch	42.8	3.4	12.4	6.0	4.5	4.0	3.7	3.1
Lumber and Wood	35.2	35.0	35.2	35.3	35.1	34.9	34.8	34.9
% Ch	-0.2	-2.3	1.8	1.0	-1.8	-2.0	-1.2	0.4
Furniture	4.0	4.0	4.1	4.1	4.1	4.1	4.2	4.2
% Ch	40.4	4.3	3.0	2.9	1.3	2.1	2.0	1.5
Stone-Clay-Glass	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7
% Ch	-5.1	-0.9	-0.8	0.2	-0.2	-0.4	-0.1	0.2
Primary Metals	11.5	11.5	11.6	11.6	11.7	11.7	11.6	11.6
% Ch	3.5	-2.1	3.6	1.1	1.3	0.3	-0.4	-0.1
Fabricated Metals	13.4	13.2	13.5	13.5	13.6	13.6	13.6	13.7
% Ch	4.7	-4.2	9.2	0.8	0.7	0.9	1.0	1.4
Nonelectrical Machinery	23.2	23.7	24.2	24.3	24.4	24.5	24.5	24.6
% Ch	16.9	8.9	7.5	2.8	1.9	0.7	0.6	1.0
Electrical Machinery	14.6	15.2	15.8	16.7	17.2	17.7	18.2	18.6
% Ch	4.4	17.7	17.5	25.3	13.4	10.9	11.4	9.1
Aerospace	80.8	82.4	87.2	89.3	91.4	93.5	95.3	96.9
% Ch	150.1	8.0	25.5	9.9	9.7	9.5	7.7	6.8
Other Trans. Equip.	15.0	14.4	14.6	14.6	14.7	14.6	14.7	14.5
% Ch	9.0	-14.7	7.4	0.0	0.3	-0.4	1.0	-3.5
Instruments	13.4	13.5	13.5	13.6	13.6	13.6	13.6	13.5
% Ch	20.0	1.8	1.6	3.0	0.2	-0.4	-0.5	-2.4
Other Durables	8.3	8.4	8.5	8.5	8.5	8.5	8.5	8.5
% Ch	26.2	7.4	2.1	1.7	0.4	-0.8	0.0	-0.7
Nonmanufacturing	2036.8	2050.2	2067.5	2080.2	2091.2	2103.9	2116.0	2129.3
% Ch	1.6	2.6	3.4	2.5	2.1	2.5	2.3	2.5
Mining	3.4	3.5	3.5	3.5	3.5	3.5	3.6	3.6
% Ch	1.6	15.0	4.1	0.6	1.3	1.1	1.3	1.5
Construction	122.0	122.2	122.3	122.4	122.1	121.9	122.0	122.2
% Ch	9.0	0.6	0.1	0.6	-1.2	-0.5	0.2	0.7
Trans., Comm. and Utilities	121.2	122.4	122.3	123.1	123.7	124.3	125.0	125.6
% Ch	-2.8	4.3	-0.3	2.4	2.0	2.2	2.0	2.1
Wholesale Trade	142.1	143.4	145.7	146.1	146.5	146.9	147.4	148.0
% Ch	-5.7	3.7	6.6	0.9	1.2	1.1	1.4	1.6
Retail Trade	442.1	445.2	446.7	448.4	450.5	453.6	456.0	458.5
% Ch	-0.4	2.8	1.4	1.5	1.9	2.8	2.1	2.2
Finance-Insurance-Real Estate	122.5	123.3	124.3	124.7	125.1	125.4	125.9	126.2
% Ch	-1.5	2.7	3.2	1.5	1.2	1.0	1.4	1.2
Services	636.6	643.7	653.0	660.8	667.1	673.7	679.9	686.8
% Ch	3.8	4.5	5.9	4.9	3.9	4.0	3.8	4.1
State and Local Government	378.0	377.4	381.2	383.6	385.6	387.7	389.6	391.7
% Ch	4.7	-0.7	4.1	2.5	2.1	2.1	2.1	2.1
Federal Government	68.9	69.1	68.4	67.6	67.1	66.9	66.7	66.8
% Ch	-4.4	0.9	-3.6	-4.7	-2.8	-1.4	-1.5	0.6

TABLE 2.4
Washington Nonagricultural Employment by Industry
 Forecast 1996 to 1999

	1998:1	1998:2	1998:3	1998:4	1999:1	1999:2	1999:3	1999:4
Wage and Salary Employment	2511.7	2529.7	2547.2	2564.4	2582.1	2599.4	2617.8	2635.8
% Ch	2.9	2.9	2.8	2.7	2.8	2.7	2.9	2.8
Manufacturing	366.4	368.2	370.3	372.3	374.5	376.8	379.1	381.3
% Ch	2.4	2.1	2.3	2.2	2.4	2.4	2.5	2.4
Nondurable Manufacturing	115.2	115.7	116.3	116.9	117.6	118.2	118.8	119.4
% Ch	1.9	1.8	2.1	2.0	2.3	2.1	2.1	2.0
Food and Kindred Products	45.9	46.1	46.3	46.6	46.9	47.2	47.4	47.7
% Ch	2.2	1.5	1.9	2.2	3.1	2.4	2.2	2.1
Pulp and Paper	17.4	17.4	17.4	17.5	17.5	17.5	17.5	17.6
% Ch	0.5	0.7	0.9	0.7	0.5	0.5	0.6	0.6
Apparel	9.2	9.2	9.3	9.2	9.2	9.2	9.2	9.2
% Ch	-0.5	-0.1	0.2	-0.4	-0.4	-0.1	0.3	-0.5
Printing	25.5	25.7	25.9	26.1	26.3	26.4	26.6	26.8
% Ch	2.9	3.1	3.0	2.9	2.9	2.9	3.0	3.0
Chemicals	5.7	5.8	5.8	5.8	5.8	5.8	5.9	5.9
% Ch	1.6	1.1	1.3	1.3	1.4	1.4	1.2	1.2
Other Nondurables	11.4	11.5	11.7	11.8	11.9	12.0	12.1	12.2
% Ch	2.6	3.9	4.4	3.7	3.2	3.5	3.8	3.5
Durable Manufacturing	251.2	252.5	254.0	255.4	257.0	258.6	260.3	262.0
% Ch	2.6	2.2	2.4	2.3	2.4	2.5	2.7	2.6
Lumber and Wood	35.0	35.0	35.0	35.0	35.0	35.1	35.1	35.2
% Ch	1.3	0.3	-0.1	-0.2	0.4	0.7	0.9	0.6
Furniture	4.2	4.2	4.2	4.3	4.3	4.3	4.3	4.4
% Ch	2.0	2.4	2.7	2.6	2.4	2.2	2.2	1.8
Stone-Clay-Glass	8.7	8.7	8.7	8.7	8.8	8.8	8.8	8.8
% Ch	0.6	0.9	0.9	0.8	0.6	0.6	0.9	1.1
Primary Metals	11.7	11.7	11.7	11.8	11.8	11.9	11.9	12.0
% Ch	0.4	1.0	2.0	1.8	1.1	1.0	1.6	2.1
Fabricated Metals	13.7	13.8	13.9	14.0	14.0	14.1	14.1	14.2
% Ch	2.0	2.5	2.2	1.9	1.9	1.3	1.2	1.5
Nonelectrical Machinery	24.7	24.8	25.0	25.3	25.5	25.8	26.1	26.5
% Ch	1.5	2.6	3.4	3.8	4.1	4.6	4.9	5.0
Electrical Machinery	19.0	19.5	20.0	20.5	21.1	21.7	22.3	22.9
% Ch	9.7	10.5	11.2	11.1	11.7	12.0	12.0	11.4
Aerospace	97.7	98.3	98.8	99.3	99.8	100.4	100.9	101.4
% Ch	3.7	2.2	2.2	2.1	2.1	2.1	2.1	2.1
Other Trans. Equip.	14.5	14.5	14.5	14.5	14.5	14.5	14.5	14.5
% Ch	-0.6	-0.8	0.2	-0.5	0.2	-0.0	0.1	-0.5
Instruments	13.5	13.5	13.5	13.5	13.5	13.5	13.5	13.5
% Ch	-0.7	0.7	0.4	-0.6	-0.4	-0.3	0.5	-0.3
Other Durables	8.5	8.5	8.6	8.6	8.6	8.6	8.7	8.7
% Ch	0.5	1.0	1.9	1.0	0.9	1.3	1.8	0.8
Nonmanufacturing	2145.4	2161.4	2176.9	2192.1	2207.5	2222.6	2238.7	2254.5
% Ch	3.0	3.0	2.9	2.8	2.9	2.8	2.9	2.8
Mining	3.6	3.6	3.6	3.6	3.7	3.7	3.7	3.7
% Ch	1.8	2.1	2.1	2.0	1.9	1.9	2.0	2.2
Construction	122.7	123.3	123.8	124.2	124.5	125.0	125.5	126.2
% Ch	1.6	1.9	1.7	1.3	1.1	1.4	1.9	2.3
Trans., Comm. and Utilities	126.4	127.2	127.9	128.6	129.4	130.1	130.9	131.7
% Ch	2.5	2.4	2.4	2.3	2.4	2.3	2.4	2.4
Wholesale Trade	148.8	149.6	150.6	151.5	152.4	153.3	154.2	155.2
% Ch	2.1	2.3	2.5	2.6	2.4	2.3	2.4	2.5
Retail Trade	463.0	467.2	470.8	474.3	478.2	481.7	485.6	489.5
% Ch	4.0	3.7	3.1	3.0	3.4	3.0	3.2	3.3
Finance-Insurance-Real Estate	126.7	127.2	127.7	128.2	128.7	129.1	129.5	130.0
% Ch	1.6	1.5	1.7	1.5	1.5	1.1	1.4	1.5
Services	693.7	701.0	708.1	715.2	722.1	729.2	736.7	744.3
% Ch	4.1	4.2	4.1	4.1	3.9	4.0	4.1	4.2
State and Local Government	393.9	396.2	398.4	400.6	402.7	404.7	406.7	408.5
% Ch	2.3	2.3	2.3	2.2	2.1	2.0	2.0	1.8
Federal Government	66.5	66.2	66.0	65.8	65.8	65.8	65.9	65.3
% Ch	-1.4	-2.1	-1.3	-1.3	0.3	0.3	0.3	-3.5

TABLE 3.1

U.S. Personal Income by Component

Forecast 1996 to 1999

	1992	1993	1994	1995	1996	1997	1998	1999
Personal Income	5264.2	5480.1	5753.1	6115.1	6443.4	6759.1	7059.7	7392.6
% Ch	6.0	4.1	5.0	6.3	5.4	4.9	4.4	4.7
Total Wage and Salary Disbursements	2986.4	3090.7	3241.8	3430.6	3625.0	3793.5	3941.0	4103.2
% Ch	5.6	3.5	4.9	5.8	5.7	4.6	3.9	4.1
Nonwage Personal Income	2277.8	2389.4	2511.3	2684.5	2818.4	2965.6	3118.7	3289.4
% Ch	6.4	4.9	5.1	6.9	5.0	5.2	5.2	5.5
Other Labor Income	351.4	380.9	402.2	424.0	436.6	459.3	485.3	516.2
% Ch	8.9	8.4	5.6	5.4	3.0	5.2	5.7	6.4
Proprietor's Income	409.5	420.1	450.9	478.3	513.7	517.2	527.8	554.2
% Ch	12.8	2.6	7.3	6.1	7.4	0.7	2.1	5.0
Farm	38.0	32.0	35.0	29.0	43.8	43.4	41.7	44.3
% Ch	25.7	-15.8	9.6	-17.2	51.1	-1.0	-3.9	6.3
Nonfarm	371.5	388.1	415.9	449.3	469.9	473.8	486.1	509.9
% Ch	11.7	4.5	7.2	8.0	4.6	0.8	2.6	4.9
Less: Pers Cont. For Social Ins.	248.4	259.6	278.1	294.5	307.9	324.0	338.7	352.9
% Ch	5.3	4.5	7.1	5.9	4.5	5.2	4.5	4.2
Dividends/Int./Rent	907.3	937.4	979.9	1054.1	1094.6	1166.8	1230.1	1288.7
% Ch	-1.5	3.3	4.5	7.6	3.8	6.6	5.4	4.8
Transfer Payments	858.2	910.7	956.4	1022.6	1081.3	1146.3	1214.1	1283.2
% Ch	11.5	6.1	5.0	6.9	5.7	6.0	5.9	5.7

TABLE 3.2

U.S. Personal Income by Component

Forecast 1996 to 1999

	1994:1	1994:2	1994:3	1994:4	1995:1	1995:2	1995:3	1995:4
Personal Income	5562.4	5739.1	5808.2	5902.7	6004.5	6074.4	6146.9	6234.5
% Ch	-3.4	13.3	4.9	6.7	7.1	4.7	4.9	5.8
Total Wage and Salary Disbursements	3142.0	3233.8	3266.6	3324.9	3367.9	3403.1	3451.2	3500.2
% Ch	-6.2	12.2	4.1	7.3	5.3	4.2	5.8	5.8
Nonwage Personal Income	2420.4	2505.3	2541.6	2577.8	2636.6	2671.3	2695.7	2734.3
% Ch	0.4	14.8	5.9	5.8	9.4	5.4	3.7	5.9
Other Labor Income	395.6	400.5	404.9	407.8	417.7	422.0	425.9	430.2
% Ch	8.1	5.0	4.5	2.9	10.1	4.2	3.7	4.1
Proprietor's Income	421.1	454.4	458.7	469.4	472.0	474.7	479.6	486.7
% Ch	-12.1	35.6	3.8	9.7	2.2	2.3	4.2	6.1
Farm	40.8	35.1	31.9	32.3	28.5	27.6	28.1	31.8
% Ch	97.9	-45.2	-31.8	5.1	-39.4	-12.0	7.4	64.0
Nonfarm	380.3	419.3	426.8	437.1	443.5	447.1	451.5	454.9
% Ch	-18.7	47.8	7.3	10.0	6.0	3.3	4.0	3.0
Less: Pers Cont. For Social Ins.	271.4	277.6	279.9	283.5	290.2	292.7	296.2	298.8
% Ch	10.0	9.5	3.4	5.2	9.8	3.5	4.9	3.6
Dividends/Int./Rent	935.3	978.1	996.5	1009.5	1034.7	1050.4	1056.6	1074.7
% Ch	-0.5	19.6	7.7	5.3	10.4	6.2	2.4	7.0
Transfer Payments	939.5	949.8	961.4	974.7	1002.4	1016.8	1029.9	1041.4
% Ch	7.1	4.5	5.0	5.6	11.9	5.9	5.3	4.5

TABLE 3.2

U.S. Personal Income by Component

Forecast 1996 to 1999

	1996:1	1996:2	1996:3	1996:4	1997:1	1997:2	1997:3	1997:4
Personal Income	6308.5	6411.3	6491.1	6562.6	6656.5	6722.5	6792.8	6864.4
% Ch	4.8	6.7	5.1	4.5	5.8	4.0	4.3	4.3
Total Wage and Salary Disbursements	3538.2	3606.3	3653.8	3701.6	3743.2	3775.3	3809.4	3846.1
% Ch	4.4	7.9	5.4	5.3	4.6	3.5	3.7	3.9
Nonwage Personal Income	2770.3	2805.0	2837.3	2861.0	2913.3	2947.2	2983.5	3018.3
% Ch	5.4	5.1	4.7	3.4	7.5	4.7	5.0	4.8
Other Labor Income	429.1	434.0	438.9	444.6	450.5	456.1	462.1	468.3
% Ch	-1.0	4.6	4.6	5.3	5.4	5.1	5.3	5.6
Proprietor's Income	499.5	515.8	522.2	517.4	516.6	516.0	517.8	518.4
% Ch	10.9	13.7	5.1	-3.6	-0.6	-0.5	1.4	0.5
Farm	38.4	45.7	47.6	43.5	44.0	43.8	43.3	42.4
% Ch	112.6	100.6	18.1	-30.4	4.2	-1.4	-4.7	-7.6
Nonfarm	461.1	470.1	474.6	473.9	472.6	472.2	474.5	476.0
% Ch	5.6	8.0	3.9	-0.6	-1.1	-0.4	2.0	1.2
Less: Pers Cont. For Social Ins.	301.0	305.8	310.4	314.2	319.6	322.4	325.4	328.4
% Ch	3.0	6.5	6.2	5.0	7.1	3.6	3.7	3.7
Dividends/Int./Rent	1079.6	1085.0	1099.3	1114.4	1142.6	1158.9	1176.2	1189.5
% Ch	1.8	2.0	5.4	5.6	10.5	5.8	6.1	4.6
Transfer Payments	1063.0	1076.0	1087.3	1098.8	1123.2	1138.6	1152.8	1170.5
% Ch	8.6	5.0	4.3	4.3	9.2	5.6	5.1	6.3

TABLE 3.2

U.S. Personal Income by Component

Forecast 1996 to 1999

	1998:1	1998:2	1998:3	1998:4	1999:1	1999:2	1999:3	1999:4
Personal Income	6948.8	7022.3	7097.5	7170.0	7266.9	7350.1	7436.1	7517.5
% Ch	5.0	4.3	4.4	4.1	5.5	4.7	4.8	4.4
Total Wage and Salary Disbursements	3885.5	3922.2	3959.5	3996.8	4042.0	4082.1	4123.8	4164.9
% Ch	4.2	3.8	3.9	3.8	4.6	4.0	4.2	4.0
Nonwage Personal Income	3063.3	3100.1	3138.0	3173.2	3224.9	3268.0	3312.2	3352.5
% Ch	6.1	4.9	5.0	4.6	6.7	5.5	5.5	5.0
Other Labor Income	474.9	481.8	488.8	495.8	504.5	512.3	520.3	527.8
% Ch	5.8	5.9	6.0	5.9	7.2	6.3	6.3	6.0
Proprietor's Income	521.4	524.1	529.5	536.2	543.4	550.7	558.0	564.6
% Ch	2.4	2.1	4.2	5.2	5.5	5.5	5.4	4.9
Farm	42.0	41.6	41.2	41.9	43.3	44.1	44.6	45.1
% Ch	-4.3	-3.6	-3.2	6.7	13.5	8.0	5.0	4.4
Nonfarm	479.4	482.5	488.3	494.3	500.1	506.6	513.3	519.5
% Ch	3.0	2.6	4.8	5.0	4.8	5.3	5.5	4.9
Less: Pers Cont. for Social Ins.	334.8	337.0	339.9	343.0	349.1	351.0	354.0	357.5
% Ch	8.0	2.7	3.5	3.7	7.2	2.3	3.4	4.1
Dividends/Int./Rent	1210.1	1224.6	1238.0	1247.7	1267.5	1281.2	1296.7	1309.3
% Ch	7.1	4.9	4.4	3.2	6.5	4.4	4.9	3.9
Transfer Payments	1191.7	1206.6	1221.6	1236.5	1258.6	1274.8	1291.3	1308.3
% Ch	7.4	5.1	5.1	5.0	7.3	5.3	5.3	5.4

TABLE 3.3

Washington Personal Income by Component
 Forecast 1996 to 1999

	1992	1993	1994	1995	1996	1997	1998	1999
Personal Income	109.702	114.842	120.444	128.467	135.756	143.680	152.069	161.292
% Ch	8.4	4.7	4.9	6.7	5.7	5.8	5.8	6.1
Total Wage and Salary Disbursements	62.934	64.636	67.688	71.555	75.898	80.453	85.078	90.196
% Ch	8.6	2.7	4.7	5.7	6.1	6.0	5.7	6.0
Manufacturing	12.360	12.074	12.318	12.651	13.325	14.327	15.200	16.139
% Ch	5.4	-2.3	2.0	2.7	5.3	7.5	6.1	6.2
Nondurable Manufacturing	2.962	3.116	3.304	3.466	3.760	3.978	4.179	4.413
% Ch	4.8	5.2	6.1	4.9	8.5	5.8	5.1	5.6
Durable Manufacturing	9.399	8.959	9.014	9.186	9.565	10.349	11.020	11.726
% Ch	5.5	-4.7	0.6	1.9	4.1	8.2	6.5	6.4
Nonmanufacturing	47.805	49.814	52.534	55.974	59.442	62.863	66.479	70.494
% Ch	9.7	4.2	5.5	6.5	6.2	5.8	5.8	6.0
Other Private Wages	0.654	0.627	0.655	0.673	0.740	0.795	0.852	0.915
% Ch	2.4	-4.1	4.4	2.7	10.1	7.4	7.1	7.4
Farm Wages	0.451	0.483	0.527	0.547	0.572	0.593	0.615	0.639
% Ch	-1.8	7.1	9.1	3.9	4.5	3.6	3.8	3.9
Military Wages	1.665	1.638	1.654	1.710	1.819	1.875	1.932	2.009
% Ch	6.6	-1.6	1.0	3.4	6.4	3.1	3.0	4.0
Nonwage Personal Income	46.768	50.206	52.757	56.912	59.858	63.227	66.991	71.096
% Ch	8.1	7.4	5.1	7.9	5.2	5.6	6.0	6.1
Other Labor Income	6.085	6.550	7.049	7.560	8.010	8.570	9.193	9.902
% Ch	12.9	7.6	7.6	7.3	6.0	7.0	7.3	7.7
Proprietor's Income	10.489	11.442	11.803	12.811	13.561	13.774	14.252	14.920
% Ch	12.3	9.1	3.2	8.5	5.9	1.6	3.5	4.7
Farm	1.072	1.299	0.876	1.423	1.718	1.586	1.584	1.626
% Ch	20.4	21.3	-32.6	62.4	20.7	-7.7	-0.1	2.7
Nonfarm	9.418	10.143	10.927	11.388	11.843	12.188	12.668	13.294
% Ch	11.5	7.7	7.7	4.2	4.0	2.9	3.9	4.9
Less: Pers. Cont. for Social Ins.	4.949	5.152	5.532	5.889	6.273	6.676	7.084	7.500
% Ch	7.5	4.1	7.4	6.5	6.5	6.4	6.1	5.9
Plus: Residence Adjustment	1.062	1.140	1.244	1.370	1.495	1.577	1.665	1.757
% Ch	8.1	7.4	9.1	10.1	9.1	5.5	5.6	5.5
Dividends/Int./Rent	16.954	17.757	18.766	20.567	21.413	22.946	24.394	25.809
% Ch	2.6	4.7	5.7	9.6	4.1	7.2	6.3	5.8
Transfer Payments	17.129	18.471	19.428	20.494	21.652	23.036	24.572	26.208
% Ch	9.6	7.8	5.2	5.5	5.7	6.4	6.7	6.7
State U.I. Benefits	0.902	1.088	1.007	0.818	0.784	0.792	0.820	0.849
% Ch	37.8	20.6	-7.4	-18.8	-4.1	1.1	3.5	3.5
Other Transfers	16.227	17.383	18.421	19.677	20.868	22.243	23.752	25.359
% Ch	8.4	7.1	6.0	6.8	6.1	6.6	6.8	6.8

TABLE 3.4
Washington Personal Income by Component
 Forecast 1996 to 1999

	1994:1	1994:2	1994:3	1994:4	1995:1	1995:2	1995:3	1995:4
Personal Income	117.231	119.932	120.839	123.775	125.559	127.951	129.909	130.447
% Ch	-0.7	9.5	3.1	10.1	5.9	7.8	6.3	1.7
Total Wage and Salary Disbursements	66.023	67.642	67.693	69.392	69.838	71.379	72.680	72.321
% Ch	2.7	10.2	0.3	10.4	2.6	9.1	7.5	-2.0
Manufacturing	12.083	12.446	12.089	12.653	12.702	13.294	12.956	11.653
% Ch	-3.9	12.6	-11.0	20.0	1.6	20.0	-9.8	-34.6
Nondurable Manufacturing	3.203	3.263	3.319	3.432	3.429	3.463	3.451	3.519
% Ch	-0.6	7.7	7.0	14.3	-0.3	4.0	-1.4	8.1
Durable Manufacturing	8.880	9.183	8.770	9.221	9.273	9.831	9.505	8.134
% Ch	-5.1	14.4	-16.8	22.2	2.3	26.3	-12.6	-46.4
Nonmanufacturing	51.125	52.411	52.761	53.840	54.218	55.173	56.833	57.671
% Ch	4.3	10.4	2.7	8.4	2.8	7.2	12.6	6.0
Other Private Wages	0.649	0.626	0.651	0.693	0.661	0.671	0.644	0.715
% Ch	-19.4	-13.4	17.0	28.4	-17.2	6.2	-15.1	51.9
Farm Wages	0.516	0.525	0.530	0.536	0.537	0.543	0.551	0.558
% Ch	16.2	7.2	3.9	4.6	0.7	4.5	6.0	5.2
Military Wages	1.650	1.634	1.662	1.670	1.720	1.698	1.696	1.724
% Ch	10.3	-3.8	7.0	1.9	12.5	-5.0	-0.5	6.8
Nonwage Personal Income	51.208	52.290	53.146	54.383	55.721	56.572	57.229	58.126
% Ch	-5.0	8.7	6.7	9.6	10.2	6.3	4.7	6.4
Other Labor Income	6.816	7.044	7.078	7.256	7.368	7.608	7.689	7.575
% Ch	3.2	14.1	1.9	10.4	6.3	13.7	4.3	-5.8
Proprietor's Income	11.556	11.719	11.699	12.237	12.563	12.636	12.843	13.200
% Ch	-23.4	5.8	-0.7	19.7	11.1	2.3	6.7	11.6
Farm	0.861	0.847	0.695	1.102	1.285	1.300	1.412	1.694
% Ch	-94.9	-6.3	-54.7	532.1	84.9	4.8	39.2	107.2
Nonfarm	10.695	10.872	11.004	11.135	11.278	11.336	11.431	11.506
% Ch	6.1	6.8	4.9	4.8	5.2	2.1	3.4	2.7
Less: Pers. Cont. for Social Ins.	5.382	5.527	5.549	5.669	5.746	5.878	5.982	5.949
% Ch	11.9	11.2	1.6	8.9	5.5	9.5	7.3	-2.2
Plus: Residence Adjustment	1.207	1.221	1.254	1.294	1.334	1.329	1.378	1.437
% Ch	11.0	4.7	11.3	13.4	12.9	-1.5	15.6	18.3
Dividends/Int./Rent	17.861	18.457	19.078	19.666	20.165	20.471	20.631	20.999
% Ch	0.7	14.0	14.2	12.9	10.5	6.2	3.2	7.3
Transfer Payments	19.150	19.376	19.586	19.599	20.037	20.406	20.670	20.864
% Ch	3.7	4.8	4.4	0.3	9.2	7.6	5.3	3.8
State U.I. Benefits	1.103	1.058	1.032	0.833	0.740	0.829	0.862	0.839
% Ch	-42.9	-15.3	-9.5	-57.6	-37.7	57.5	16.9	-10.3
Other Transfers	18.047	18.318	18.554	18.766	19.297	19.577	19.808	20.025
% Ch	7.9	6.1	5.3	4.6	11.8	5.9	4.8	4.5

TABLE 3.4
Washington Personal Income by Component
 Forecast 1996 to 1999

	1996:1	1996:2	1996:3	1996:4	1997:1	1997:2	1997:3	1997:4
Personal Income	133.480	134.486	136.579	138.479	140.786	142.640	144.613	146.681
% Ch	9.6	3.0	6.4	5.7	6.8	5.4	5.7	5.8
Total Wage and Salary Disbursements	74.422	75.046	76.441	77.683	78.830	79.865	80.964	82.154
% Ch	12.1	3.4	7.6	6.7	6.0	5.4	5.6	6.0
Manufacturing	13.198	12.981	13.406	13.713	13.974	14.206	14.445	14.683
% Ch	64.5	-6.4	13.7	9.5	7.8	6.8	6.9	6.8
Nondurable Manufacturing	3.678	3.720	3.790	3.851	3.906	3.952	4.001	4.053
% Ch	19.3	4.7	7.7	6.5	5.8	4.8	5.1	5.3
Durable Manufacturing	9.520	9.261	9.615	9.863	10.069	10.254	10.444	10.630
% Ch	87.6	-10.4	16.2	10.7	8.6	7.6	7.6	7.3
Nonmanufacturing	58.117	58.944	59.895	60.812	61.620	62.405	63.247	64.179
% Ch	3.1	5.8	6.6	6.3	5.4	5.2	5.5	6.0
Other Private Wages	0.723	0.732	0.747	0.760	0.776	0.788	0.801	0.815
% Ch	4.6	5.2	8.2	7.1	8.6	6.6	6.9	7.2
Farm Wages	0.565	0.569	0.574	0.579	0.585	0.590	0.595	0.601
% Ch	5.1	3.1	3.6	3.5	4.0	3.5	3.6	3.7
Military Wages	1.819	1.819	1.819	1.819	1.875	1.875	1.875	1.875
% Ch	23.9	0.0	0.0	0.0	13.0	0.0	0.0	0.0
Nonwage Personal Income	59.058	59.440	60.138	60.796	61.956	62.775	63.649	64.527
% Ch	6.6	2.6	4.8	4.4	7.9	5.4	5.7	5.6
Other Labor Income	7.847	7.914	8.070	8.209	8.350	8.491	8.640	8.799
% Ch	15.2	3.5	8.1	7.0	7.1	6.9	7.2	7.6
Proprietor's Income	13.579	13.470	13.589	13.605	13.655	13.719	13.815	13.906
% Ch	12.0	-3.2	3.6	0.4	1.5	1.9	2.8	2.7
Farm	1.928	1.657	1.680	1.605	1.597	1.590	1.582	1.574
% Ch	67.8	-45.5	5.7	-16.6	-2.1	-1.6	-2.2	-2.0
Nonfarm	11.651	11.813	11.910	11.999	12.058	12.129	12.233	12.332
% Ch	5.1	5.7	3.3	3.0	2.0	2.4	3.5	3.3
Less: Pers. Cont. for Social Ins.	6.140	6.206	6.326	6.421	6.545	6.629	6.718	6.811
% Ch	13.5	4.3	8.0	6.1	8.0	5.2	5.5	5.6
Plus: Residence Adjustment	1.465	1.485	1.504	1.524	1.545	1.566	1.587	1.609
% Ch	8.0	5.6	5.3	5.4	5.6	5.5	5.6	5.6
Dividends/Int./Rent	21.079	21.215	21.518	21.842	22.416	22.768	23.145	23.455
% Ch	1.5	2.6	5.8	6.2	10.9	6.4	6.8	5.5
Transfer Payments	21.228	21.561	21.783	22.037	22.534	22.860	23.179	23.569
% Ch	7.2	6.4	4.2	4.8	9.3	5.9	5.7	6.9
State U.I. Benefits	0.790	0.808	0.770	0.767	0.776	0.787	0.797	0.808
% Ch	-21.4	9.7	-17.7	-1.4	4.7	5.8	5.2	5.6
Other Transfers	20.438	20.753	21.013	21.270	21.758	22.073	22.382	22.761
% Ch	8.5	6.3	5.1	5.0	9.5	5.9	5.7	6.9

TABLE 3.4
Washington Personal Income by Component
 Forecast 1996 to 1999

	1998:1	1998:2	1998:3	1998:4	1999:1	1999:2	1999:3	1999:4
Personal Income	148.921	150.984	153.126	155.246	157.824	160.125	162.466	164.752
% Ch	6.3	5.7	5.8	5.7	6.8	6.0	6.0	5.7
Total Wage and Salary Disbursements	83.314	84.450	85.655	86.893	88.282	89.553	90.830	92.119
% Ch	5.8	5.6	5.8	5.9	6.5	5.9	5.8	5.8
Manufacturing	14.884	15.082	15.303	15.530	15.777	16.018	16.259	16.502
% Ch	5.6	5.4	6.0	6.1	6.5	6.3	6.2	6.1
Nondurable Manufacturing	4.101	4.150	4.205	4.262	4.325	4.384	4.442	4.500
% Ch	4.8	4.8	5.4	5.5	6.1	5.6	5.4	5.3
Durable Manufacturing	10.783	10.932	11.098	11.268	11.451	11.634	11.817	12.003
% Ch	5.9	5.7	6.2	6.3	6.7	6.5	6.5	6.4
Nonmanufacturing	65.061	65.980	66.943	67.934	68.975	69.983	70.997	72.021
% Ch	5.6	5.8	6.0	6.1	6.3	6.0	5.9	5.9
Other Private Wages	0.830	0.844	0.859	0.873	0.891	0.907	0.922	0.938
% Ch	7.7	6.9	7.0	6.8	8.4	7.2	7.2	6.8
Farm Wages	0.607	0.612	0.618	0.624	0.630	0.636	0.642	0.648
% Ch	4.0	3.7	3.8	3.7	4.1	3.9	4.0	3.9
Military Wages	1.932	1.932	1.932	1.932	2.009	2.009	2.009	2.009
% Ch	12.6	0.0	0.0	0.0	17.0	0.0	0.0	0.0
Nonwage Personal Income	65.607	66.533	67.472	68.353	69.542	70.572	71.636	72.632
% Ch	6.9	5.8	5.8	5.3	7.1	6.1	6.2	5.7
Other Labor Income	8.952	9.107	9.271	9.440	9.635	9.813	9.991	10.167
% Ch	7.1	7.1	7.4	7.5	8.5	7.6	7.4	7.2
Proprietor's Income	14.040	14.163	14.319	14.485	14.654	14.828	15.011	15.185
% Ch	3.9	3.6	4.5	4.7	4.7	4.8	5.0	4.7
Farm	1.575	1.580	1.584	1.595	1.610	1.622	1.631	1.641
% Ch	0.3	1.2	1.2	2.8	3.7	2.9	2.4	2.3
Nonfarm	12.465	12.583	12.735	12.890	13.044	13.207	13.380	13.545
% Ch	4.4	3.9	4.9	5.0	4.9	5.1	5.4	5.0
Less: Pers. Cont. for Social Ins.	6.957	7.032	7.124	7.221	7.372	7.448	7.539	7.643
% Ch	8.9	4.4	5.3	5.6	8.6	4.2	5.0	5.6
Plus: Residence Adjustment	1.631	1.654	1.676	1.699	1.722	1.745	1.769	1.794
% Ch	5.7	5.6	5.6	5.5	5.4	5.5	5.6	5.7
Dividends/Int./Rent	23.909	24.252	24.578	24.836	25.289	25.628	26.001	26.319
% Ch	8.0	5.9	5.5	4.3	7.5	5.5	6.0	5.0
Transfer Payments	24.033	24.389	24.751	25.114	25.614	26.006	26.402	26.810
% Ch	8.1	6.1	6.1	6.0	8.2	6.3	6.2	6.3
State U.I. Benefits	0.810	0.814	0.823	0.833	0.843	0.849	0.850	0.854
% Ch	0.9	2.1	4.0	5.1	5.1	2.6	0.7	1.8
Other Transfers	23.223	23.575	23.928	24.281	24.771	25.157	25.551	25.956
% Ch	8.4	6.2	6.1	6.0	8.3	6.4	6.4	6.5

TABLE 4.1

Selected Inflation Indicators

(Deflator 1992= 1.0; CPI 1982-84= 1.0)

	Price Deflator*		U.S. CPI#		Seattle CPI+	
	Index	Percent Change	Index	Percent Change	Index	Percent Change
1961	0.235	1.2	0.299	1.1	0.293	1.7
1962	0.237	1.1	0.303	1.2	0.298	1.5
1963	0.240	1.2	0.306	1.3	0.302	1.6
1964	0.243	1.4	0.310	1.3	0.306	1.3
1965	0.247	1.5	0.315	1.6	0.310	1.1
1966	0.253	2.5	0.325	3.0	0.319	3.0
1967	0.260	2.8	0.334	2.8	0.328	2.9
1968	0.270	3.9	0.348	4.2	0.342	4.1
1969	0.282	4.2	0.367	5.4	0.358	4.8
1970	0.295	4.7	0.388	5.9	0.374	4.5
1971	0.308	4.5	0.405	4.2	0.382	2.1
1972	0.319	3.5	0.418	3.3	0.393	2.9
1973	0.336	5.5	0.444	6.3	0.418	6.4
1974	0.371	10.2	0.493	11.0	0.464	11.0
1975	0.401	8.1	0.538	9.1	0.511	10.2
1976	0.423	5.7	0.569	5.8	0.540	5.5
1977	0.451	6.6	0.606	6.5	0.583	8.0
1978	0.484	7.3	0.652	7.6	0.640	9.9
1979	0.528	8.9	0.726	11.3	0.709	10.8
1980	0.585	10.9	0.824	13.5	0.827	16.7
1981	0.638	9.0	0.909	10.4	0.916	10.8
1982	0.674	5.7	0.965	6.2	0.978	6.7
1983	0.705	4.5	0.996	3.2	0.993	1.5
1984	0.731	3.8	1.039	4.4	1.030	3.8
1985	0.758	3.7	1.076	3.5	1.056	2.5
1986	0.780	2.9	1.097	1.9	1.066	1.0
1987	0.809	3.8	1.137	3.7	1.092	2.4
1988	0.843	4.2	1.183	4.1	1.128	3.3
1989	0.884	4.9	1.240	4.8	1.181	4.7
1990	0.929	5.1	1.308	5.4	1.268	7.3
1991	0.968	4.2	1.363	4.2	1.341	5.8
1992	1.000	3.3	1.404	3.0	1.390	3.7
1993	1.027	2.7	1.446	3.0	1.429	2.8
1994	1.051	2.4	1.483	2.6	1.478	3.4
1995	1.076	2.4	1.525	2.8	1.522	3.0
Forecast						
1996	1.099	2.2	1.569	2.9	1.566	2.9
1997	1.127	2.5	1.613	2.8	1.612	2.9
1998	1.157	2.7	1.660	2.9	1.664	3.2
1999	1.189	2.7	1.709	2.9	1.719	3.3

* Chain-Weight Implicit Price Deflator for Personal Consumption Expenditures

Consumer Price Index for all Urban Consumers

+ Consumer Price Index for the Seattle-Tacoma CMSA

TABLE 4.2

Chain-Weighted Price Indices

Calendar Years 1961 to 1999

(1992= 1.0)

	Services		Food		Fuels		Gasoline	
	Index	Percent Change	Index	Percent Change	Index	Percent Change	Index	Percent Change
1961	0.193	2.0	0.231	0.7	0.154	2.3	0.245	-0.9
1962	0.197	1.7	0.235	1.4	0.155	0.5	0.247	0.6
1963	0.200	1.5	0.238	1.4	0.158	1.9	0.246	-0.3
1964	0.203	1.5	0.242	1.9	0.156	-0.8	0.244	-0.7
1965	0.207	2.2	0.247	2.0	0.160	2.2	0.253	3.7
1966	0.213	2.9	0.258	4.3	0.164	2.7	0.260	2.6
1967	0.220	3.4	0.262	1.6	0.169	3.0	0.268	3.2
1968	0.230	4.3	0.271	3.7	0.174	2.8	0.272	1.5
1969	0.239	4.0	0.285	4.9	0.178	2.4	0.281	3.2
1970	0.252	5.5	0.301	5.9	0.185	4.1	0.284	1.0
1971	0.267	5.9	0.311	3.2	0.198	6.9	0.286	0.7
1972	0.279	4.4	0.325	4.5	0.200	0.8	0.289	1.2
1973	0.292	4.5	0.361	11.0	0.228	14.4	0.317	9.6
1974	0.314	7.7	0.411	14.1	0.362	58.5	0.428	35.1
1975	0.340	8.2	0.444	8.0	0.396	9.5	0.457	6.8
1976	0.365	7.4	0.458	3.1	0.423	6.8	0.476	4.2
1977	0.395	8.1	0.485	6.0	0.478	12.9	0.504	5.8
1978	0.426	8.0	0.530	9.3	0.502	5.1	0.526	4.4
1979	0.461	8.1	0.584	10.2	0.673	33.9	0.705	34.0
1980	0.510	10.6	0.636	8.9	0.937	39.2	0.979	38.8
1981	0.562	10.3	0.686	7.9	1.140	21.7	1.089	11.3
1982	0.608	8.2	0.713	3.8	1.127	-1.2	1.034	-5.1
1983	0.649	6.7	0.730	2.4	1.059	-6.0	1.001	-3.2
1984	0.682	5.1	0.757	3.7	1.084	2.3	0.986	-1.4
1985	0.716	5.1	0.775	2.4	1.046	-3.4	0.995	0.8
1986	0.753	5.1	0.800	3.2	0.844	-19.4	0.781	-21.5
1987	0.782	3.9	0.828	3.6	0.859	1.8	0.811	3.8
1988	0.822	5.1	0.859	3.8	0.861	0.3	0.818	0.9
1989	0.866	5.3	0.905	5.3	0.901	4.6	0.894	9.2
1990	0.912	5.4	0.951	5.1	1.078	19.7	1.018	13.9
1991	0.958	5.0	0.986	3.6	1.040	-3.5	1.005	-1.3
1992	1.000	4.4	1.000	1.4	1.000	-3.9	1.000	-0.5
1993	1.036	3.6	1.017	1.7	0.996	-0.4	0.991	-0.9
1994	1.067	3.0	1.039	2.1	0.980	-1.6	0.996	0.6
1995	1.099	3.0	1.064	2.5	0.973	-0.7	1.011	1.5
Forecast								
1996	1.128	2.7	1.098	3.2	1.052	8.2	1.064	5.2
1997	1.165	3.2	1.141	3.9	0.980	-6.9	1.019	-4.2
1998	1.204	3.3	1.163	2.0	0.969	-1.1	1.026	0.7
1999	1.245	3.4	1.191	2.4	0.951	-1.8	1.027	0.1

TABLE 5.1
Total Resident Population and Components of Change
 1970-1999
 (Thousands)

	Population *	Percent Change	Change	Births	Deaths	Net Migration
1970	3413.3	16.3	0.5	59.9	30.0	-13.7
1971	3436.3	23.1	0.7	60.0	29.8	-7.2
1972	3430.3	-6.0	-0.2	53.1	30.4	-28.7
1973	3444.3	14.0	0.4	47.7	30.4	-3.3
1974	3508.7	64.4	1.9	48.2	29.9	46.2
1975	3567.9	59.2	1.7	50.1	30.3	39.4
1976	3634.9	67.0	1.9	51.4	30.2	45.8
1977	3715.4	80.5	2.2	54.2	29.1	55.4
1978	3836.2	120.8	3.3	57.3	30.4	94.0
1979	3979.2	143.0	3.7	60.2	30.2	113.0
1980	4132.4	153.2	3.8	65.4	31.3	119.1
1981	4229.3	96.9	2.3	68.2	31.8	60.6
1982	4276.5	47.3	1.1	70.1	31.7	8.9
1983	4307.2	30.7	0.7	69.5	32.5	-6.2
1984	4354.1	46.8	1.1	68.5	33.2	11.6
1985	4415.8	61.7	1.4	69.1	34.0	26.6
1986	4462.2	46.4	1.1	70.2	34.0	10.2
1987	4527.1	64.9	1.5	69.3	34.4	30.0
1988	4616.9	89.8	2.0	71.0	36.0	54.8
1989	4728.1	111.2	2.4	73.0	36.0	74.2
1990	4866.7	138.6	2.9	76.4	36.2	98.5
1991	5000.4	133.7	2.7	79.1	36.6	91.2
1992	5116.7	116.3	2.3	80.2	37.2	73.2
1993	5240.9	124.2	2.4	79.1	39.4	84.5
1994	5334.4	93.5	1.8	78.2	39.5	54.9
1995	5429.9	95.5	1.8	77.0	39.9	58.4
Forecast						
1996	5507.9	78.0	1.4	76.7	40.7	42.0
1997	5585.1	77.2	1.4	77.1	41.5	41.5
1998	5667.2	82.1	1.5	77.7	42.3	46.7
1999	5754.9	87.8	1.5	78.6	43.2	52.3

* Population on April 1 of Each Year

TABLE 5.2

Washington Population
(Thousands)

	Estimated		Forecast			
	1994	1995	1996	1997	1998	1999
Total Population	5334.4	5429.9	5507.9	5585.1	5667.2	5754.9
Percent Change	1.8	1.8	1.4	1.4	1.5	1.5
Age 17 and Under	1434.4	1463.4	1483.6	1501.4	1515.4	1529.2
Percent of Total	26.9	26.9	26.9	26.9	26.7	26.6
Age 6-18	1001.3	1031.2	1060.0	1086.5	1111.6	1129.0
Percent of Total	18.8	19.0	19.2	19.5	19.6	19.6
Age 18 and Over	3900.0	3966.5	4024.3	4083.7	4151.8	4225.7
Percent of Total	73.1	73.1	73.1	73.1	73.3	73.4
Age 21 and Over	3703.5	3763.9	3815.6	3867.7	3924.3	3985.7
Percent of Total	69.4	69.3	69.3	69.3	69.2	69.3
Age 20-34	1202.2	1188.6	1166.8	1156.0	1145.3	1141.5
Percent of Total	22.5	21.9	21.2	20.7	20.2	19.8
Age 18-64	3281.9	3338.9	3387.2	3440.7	3502.3	3570.0
Percent of Total	61.5	61.5	61.5	61.6	61.8	62.0
Age 65 and Over	618.1	627.7	637.2	643.0	649.5	655.7
Percent of Total	11.6	11.6	11.6	11.5	11.5	11.4

Source: Office of Financial Management

Glossary

Biennium: The state's two year budget cycle. The current Biennium (1995-1997) started on July 1, 1995 and ends June 30 1997. The 1997-1999 Biennium starts July 1, 1995 and ends June 30 1997.

Cash Basis: Cash receipts received during a period. The Forecast Council forecasts revenues on a **Cash** and **GAAP** (Generally Accepted Accounting Principles) basis. The **Cash** forecast measures cash expected during a period. The GAAP forecast measures revenues expected to be earned during a period.

CPI: The Consumer Price Index For All Urban Consumers. The Bureau of Labor Statistics (BLS) updates the CPI monthly, surveying over 60,000 goods in 85 urban areas. The BLS also tracks a Seattle-Tacoma CPI. It updates this twice a year.

Tax Elasticity: A measure of how tax revenues respond to changes in personal income. If tax revenue elasticity is greater than one, a one percent change in personal income will be associated with more than a one percent increase in tax revenues. If elasticity is less than one, a one percent increase in personal income will be associated with a less than a one percent increase in tax revenues.

Fiscal Year: The state's budget year. Washington State's fiscal year runs from July 1 through June 30. Fiscal year 1997, for example, runs from July 1, 1996 through June 30, 1997.

GAAP Basis: Government revenues measured using **Generally Accepted Accounting Principles**.

General Fund: The state's treasury fund. All appropriations not supported by dedicated revenue sources (about 65 percent of state revenues go to the general fund.)

Implicit Price Deflator for Personal Consumption Expenditures (IPD): The price deflator used to compute real consumption expenditures. The IPD and the CPI are the most widely used measures of inflation.

Mortgage Rate: The average interest rates on 25 year conventional loan (as reported by the Federal Home Loan Bank Board).

Non-Wage Income: Personal income not coming from wages and salaries. It includes proprietor's income, interest, dividends, and rent, employers contributions to private pension funds, and transfer payments.

Real GDP: Gross Domestic Product adjusted for inflation.

Personal Income: Income from wages, salaries, other labor payments, proprietorships, interest, dividends, rent, and transfer payments, less employee social security contributions.

Seasonally adjusted: A statistical series adjusted for seasonal variations. Monthly statistics, such as the unemployment rate, are seasonally adjusted to make month-to-month comparisons possible.

Wage and Salary Employment: Part-time and full time workers receiving wages or salaries on the 12th day of the month. This statistic **excludes** the self-employed, members of the armed forces, private household employees, and workers on strike.

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